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China in Africa – Preparing for the Next Forum for China Africa Cooperation

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Summary

- The Forum for China Africa Cooperation (FOCAC), established to coordinate relations between the two entities, is due to hold its next meeting later this year. This paper assesses what the outcomes from that meeting will be on this evolving, dynamic, and complex relationship.
- China's involvement in African countries goes back many years. Relationships from mid 1950s to late 1970s based more on emotional intimacy than that of 1980s and the period after the cold war. To some extent, the current relationship builds more on pragmatic economic considerations. China is already Africa's third largest trading partner.
- China is a complex actor, and Africa a complex continent. China, while predominantly state led in its behaviour, differs depending on which country it works in Africa, how it works, and what actors are involved, be they state, or non state, companies.
- Some of this involvement has been positive, with major investment, under very flexible terms, going to aid projects. Some has been highly problematic, causing China reputational damage.
- In the coming years, China will almost certainly increase its interests in Africa. There will be many opportunities for it to work with the rest of the world, and with African partners. Conducted well, this could be a process to everyone's advantage. But there are some major challenges, and some hard lessons already learned.

Introduction

In the last decade, and especially in the past five years, China's economic and political links with African countries have increased dramatically. China has become the third largest trading partner for the 53 countries within Africa, and its influence and interests extend across the continent. This was best captured by the Summit of the Forum on China-Africa Cooperation (FOCAC), held in Beijing from 4-5 November 2006 - attended by delegations from 48 countries in Africa, and by 42 presidents or prime ministers.

This multi-layered relationship between China and Africa is both complex and dynamic. As China and its African partners prepare for the next FOCAC summit, this paper assesses the current relationship between China and countries in Africa, and the main challenges.

History

In the past five decades, the China-Africa relationship has developed dramatically. Although historical connections between China and Africa date back through many centuries of economic interaction and cultural exchange, modern Sino-Africa relations began with the establishment of diplomatic relations with Egypt in 1956. Since then, China and Africa have become major strategic partners, with the two sides understanding, supporting and helping each other. Forty-eight out of the continent's 53 countries have established diplomatic ties with China. China and Africa have shared comprehensive consensus on major international issues, common interests, and a willingness to further enhance and deepen their cooperation. Frequent high-level reciprocal visits (called by some in Africa the 'frequent flyer' form of diplomacy) have promoted mutual understanding and trust (between governments), and have effectively boosted the healthy development of bilateral ties. Every year, the first visit destination of the Chinese Foreign Minister is always Africa. China-Africa relations contribute to both sides' struggle for higher international status as well.

The last fifty years have also seen the development of China-Africa cultural exchanges, which have played a unique role in promoting cooperation and friendship. By the end of 2005, China had entered into 62 intergovernmental agreements on cultural exchanges and cooperation with 45 African countries. Through these agreements, more than 200 cultural exchange delegations and hundreds of cultural or art exchange events have taken place.¹

Parallel to political relations, the economic relationship has also developed rapidly. Sino-African trade volume was just US\$12m in 1950. This grew to US\$34.7m in 1955 and US\$250m in 1965, the peak year in the 1960s. Since carrying out the Reform and Open-Up policy in the 1980s, China has attached great importance to friendly cooperation with African countries and Sino-African trade has grown at an annual average of 3.6%. Bilateral total export and import volume grew throughout the 1990s, when, for a number of years, it was not unusual to see increases of more than 40%. In 2000, bilateral trade volume for the first time exceeded US\$10bn; by 2008 it had reached US\$106.8bn. The number of African countries with which China has trade of more than US\$1bn is now 20.² China's economic engagement with Africa is broad and reaches across the whole continent. The relationship between China and Africa can be divided into three phases.

1950s - Late 1970s

Following the establishment of the People's Republic of China in 1949, China presented itself as the leader of developing nations, standing by the principles of foreign affairs outlined most famously by the then Premier Zhou Enlai at Bandung in 1955. China would not seek hegemony, would not interfere in the affairs of other countries, and would seek mutual benefit. It presented itself very much as an alternative to the model offered by the United States. China's political discourse was heavily anti-colonial. Even during the Cultural Revolution in 1971, China committed large sums of money to supporting what it called Liberation Struggles by sympathetic groups in Africa. Beyond political and military support, China's most enduring contribution was its construction of Tazara, the railway linking Zambia to Tanzania, which at the time served to free Zambia from her dependence on trade routes to the sea via white-minority ruled Rhodesia. Africans were also encouraged to send students to China to study Chinese.

¹ 'Cultural Exchanges and Cooperation', China Africa Forum, 21 September 2006, http://english.focacsummit.org/2006-09/21/content_899.htm

² 'China-Africa Trade up 45% in 2008 to \$107 bln', Xinhuanet, 11 February 2009, http://news.xinhuanet.com/english/2009-02/11/content_10803769.htm

The 1980s

In the late 1970s, China adopted a new course based on economic reform and reintegration into the global economy, and to a great extent, retreated from the continent. The concentration on building up heavy industry, liberalising the agricultural sector, and intensifying efforts to create an export-led economic model after the initial phase of Reform and Opening-Up meant that relations with African countries became less focussed. In these years, China was committed to rebuilding partnerships with developed economies, particularly in Europe and the US. By the 1990s, this had achieved notable results, with a massive increase in foreign direct investment, most of it from these developed economies, from 1993 onwards. This phase was crowned by entry into the World Trade Organisation in 2001, after 14 years of negotiations. Even so, during the 1980s China continued to concentrate attention on Africa, especially those countries seeking nation-building in the wake of political independence. For example, the Chinese Premier, Zhao Ziyang, in December 1982 embarked on series of diplomatic overtures to eleven African countries, promoting the 'Four Principles' of Chinese cooperation with Africa: equality and mutual benefit, stress on practical results, diversification in form, and economic development.³

Post-Cold War

With the end of cold war, the China-Africa relationship entered into its current phase. China began to re-engage actively with the continent in the 1990s, but on different terms.⁴ The new emphasis was on economic relations, though it was the history of anti-colonial solidarity which would be invoked and cultivated to underwrite the new economic engagement. Through the preliminary success it had gained in the Reform and Open-Up process, China was to find it had developed an economy and industries with intense and burgeoning energy and resource needs, needs which were not easily satisfied domestically. From 1993, China became a net importer of oil. From 2006, it has also been importing increasing amounts of coal, despite having large deposits. By the early 2000s, it had become

³ Judith van de Looy, 'Africa and China: A Strategic Partnership?', African Studies Centre Working Paper 67 (2006), www.ascleiden.nl/pdf/wp67.pdf

⁴ Ian Taylor, 'China's Foreign Policy Towards Africa in the 1990s', *The Journal of Modern African Studies*, Vol. 36, No. 3 (1998), pp. 443-460.

the world's largest user of concrete, copper, aluminium, iron, steel and most other metals and minerals. This has meant it has returned to energyand resource-rich countries, notably in Africa and Latin America. This has bolstered its relationships with these countries.

What does China want in Africa?

While China's relationship with Africa is dynamic, some underpinnings have remained constant. The most important of these are the principles and goals of Chinese foreign policy toward African and other developing countries. According to the *China's Africa Policy* issued in January 2006, China will:

...unswervingly carry forward the tradition of China-Africa friendship, and, proceeding from the fundamental interests of both the Chinese and African peoples, establish and develop **a new type of strategic partnership** with Africa, featuring **political equality and mutual trust, economic win-win cooperation** and **cultural exchange**.⁵

The general principles and objectives for guiding Chinese foreign policy in Africa as set out in this formulation of government policy are:

(1) Sincerity, friendship and equality (the political aspect);

(2) Mutual benefit, reciprocity and common prosperity (the economic aspect);

(3) Mutual support and close coordination (the international aspect); and

(4) Learning from each other and seeking common development (the social and cultural aspect).⁶

This at least is the government articulation of how it views, and wishes, to conduct its relationship with Africa.

⁵ Chinese MOFA, *China's African Policy*, January 2006 http://www.fmprc.gov.cn/eng/zxxx/t230615.htm

⁶ Chinese MOFA, *China's African Policy*, January 2006 http://www.fmprc.gov.cn/eng/zxxx/t230615.htm

Although the policy declarations are very clear; there is still scepticism about what China wants in Africa. Take the principle of non-interference, one of the Five Principles of Peaceful Coexistence⁷ which have been constantly stated guidelines of Chinese foreign policy in general, and its Africa policy in particular. The most frequently quoted examples are Zimbabwe and Sudan. In recent years, Sudan has seen a clash of perspectives, with the US and other powers placing pressure on China to use its influence in Sudan over the situation in Darfur, and China arguing that it is preferable to assist in continued development in such countries, and influencing them this way. China's dealings with Zimbabwe, too, has drawn particular opprobrium, with Western powers, and in particular the UK, asking China to apply pressure to the government of Robert Mugabe. China has stated that this would be counter-productive, and that Western arguments are based on complicated histories of colonial involvement.

China's commitment to non-intervention in African domestic affairs and its determination to build partnerships based on equality and mutual respect have been widely welcomed publicly by leaders of the continent, just as it has faced some criticism from the West. This clash between different attitudes towards non-intervention is an undercurrent running through much of the discourse of the two sides when they talk about issues of outside involvement in Africa. From the Chinese perspective, *this principle of non-intervention means a benevolent gesture to not waging ideological competition with the western countries in Africa (and in other places).* There is also some scepticism about China's economic activities in Africa. For example, China's largest trading partners in 2008 were Angola, South Africa, Sudan, Egypt and Nigeria, accounting for 58% of all African trade with China in 2007 (Table 1). China's imports from Africa consist overwhelmingly of mineral products (80%), which is mainly crude oil

⁷ The Five Principles of Peaceful Coexistence were articulated during China's meeting with India in 1954, and the subsequent Bandung Conference. They were mutual respect for other's territorial integrity and sovereignty; mutual non-aggression; mutual non-interference in each other's internal affairs; equality and mutual benefit and peaceful co-existence.

It is important to note that the principles underpinning China-Africa relations have not been changed. For example, China articulated these principles and promised to establish a stable partnership with African states based on equality and mutual benefit when FOCAC was created in 2000. China has re-emphasized these principles at every forum with African states since.

(71.1%), while African imports from China include textiles & clothing, machinery, transport equipment, base metals and footwear.⁸

Country (Region)	2006	2007
Total	1,760,396	2,173,726
	1,100,000	2,110,120
Africa	55,460	73,657
Angola	11,827	14,118
South Africa	9,853	14,046
Sudan	3,354	5,708
Egypt	3,192	4,673
Nigeria	3,130	4,333
Algeria	2,091	3,866

Table 1: Value of Imports and Exports (US\$m)

Source: National Bureau of Statistics of China, China Statistical Yearbook 2008 (Beijing: China Statistics Press, 2009), table 17-8.

It is worth noting here that the volume of Africa's trade with China is still small when compared to Africa's trade with other countries. Though China's trade with Africa has grown seven-fold since the turn of the century, in absolute terms the value of China-African trade in 2008 - US\$107bn -was modest compared to the volume of China's trade with the EU (US\$425bn), the US (US\$334bn), Japan (US\$267bn), or even South Korea (US\$186bn).⁹ In terms of global capital flows, China's interests on the continent are marginal, though growing. This is also true when assessing Chinese investment in Africa, which is far smaller than that of developed nations, especially the US and former European powers. Even India and Malaysia invest more in Africa than China¹⁰ According to the UK Government Department for International Development (DFID), Chinese

⁸ 'The Africa-China Trading Relationship', Trade Law Centre for Southern Africa, 5 February 2008, http://www.tralac.org/pdf/20080205_ChinaAfricatop20s2007.xls

 $^{^{\}rm 9}$ US-China Business Council, 'US–China Trade Statistics and China's World Trade Statistics', http://www.uschina.org/statistics/tradetable.html

 $^{^{\}rm 10}$ G A Donavan and M McGovern 'Africa, Risky Business', China Economic Quarterly, Q2 (2007)

investment in the oil sector is growing rapidly, but it is still a small player. The accumulated investment by international companies in Africa is \$170bn, while China has invested just US\$17bn¹¹.

Africa's relevance to China has been heightened by the support that the majority of African nations have given to the 'One China' principle and deterrence of Taiwanese independence. As of May 2009, only four African countries - Burkina Faso, Gambia, Sao Tome and Principe, and Swaziland - maintained ties with Taipei rather than Beijing. Besides relying on the African voting bloc on issues related to Taiwan or China's human rights record at the United Nations and its sub-organizations, Beijing relies on African countries' support in a number of international multilateral settings. More broadly, China's increasingly close relationship with African countries reflects China's evolving foreign policy as it strives to establish itself as a world power¹². It is important to note that adherence to the one China principle is the basic political foundation for the establishment and development of China's relations with African countries and regional organizations. China stands ready to establish and develop state-to-state relations with countries that have not yet established diplomatic ties with China on the basis of the 'One China' principle. This is the basic request for its relationship with any African country.

How does China manage Sino-Africa relations?

Just as Chinese national interests in Africa are multi-dimensional and multilayered, so the actors who participate in China's Africa policy making and implementation are increasingly diverse. This poses great challenges for China's management capability, which is the reason why FOCAC was created.

Similar to the diversified trend of China's interests in Africa, we can identify several kinds of actors who have a voice in China's Africa policy making and implementation. The first and most important kind of actor is the government, both central and provincial, and even local sometimes, including officials--diplomats and other officials, state or province owned enterprises. The second comprises various private corporations and their

¹¹ DFID, 'Achieving the Millennium Development Goals in Africa: Working with China', April 2008, http://www.dfid.gov.uk/Documents/publications/china-factsheet-english-dec08.pdf

¹² Tom Cargill, 'China and Africa: A Literature Review,' unpublished Chatham House review 2008.

representatives in Africa. Encouraged by the Chinese government's 'Go Out' strategy, these private entrepreneurs ventured to Africa in search of business opportunities. The third and increasingly important actor is individuals, both influential middle-men and the general Chinese labourers in Africa, which may amount to almost a million people by 2009.

With the number of actors increasing, the traditional decision-making and policy implementation system is under great pressure. In case of policy-making, power is concentrated at the top, in the Office of the Foreign Affairs Directorate of the Communist Party of China (CPC) Central Committee and the Foreign Affairs Office of the State Council.

The highest organ of executive power is the State Council, which includes the premier, vice premiers, ministers and others. The Ministry of Foreign Affairs advises Chinese leaders and helps implement African policy. It divides responsibility between a unit for Sub-Saharan Africa and one for West Asia and North Africa.

The Ministry of Commerce plays an important role on trade, aid and investment. It has a Department of Foreign Aid. China's State-owned Assets Supervision and Administration Commission (SASAC) is equally ranked with the Ministry of Foreign Affairs and the Ministry of Commerce. SASAC is either solely owns a state-owned enterprise (SOE) or maintains a controlling share of stock in a public SOE, many of which operate in Africa. SASAC has branch offices in Africa. China's Export-Import Bank is the only state-owned entity that distributes official economic assistance in the form of low interest loans, export credits and guarantees.

The CPC's International Department interacts with African counterparts to lay the foundation for commercial and diplomatic cooperation, exchange visits and to ensure that policies are implemented in accordance with CPC strategic objectives.

China's Central Military Commission/People's Liberation Army has frequent interaction with African counterpart military organizations.

In addition, China's 31 provinces, autonomous regions, municipalities and two special administrative regions (Hong Kong and Macau) each have their own relationships with African countries and cities.

In order to integrate China's Africa policy-making and implementation, to further strengthen the friendly cooperation between China and Africa under the new circumstances, to jointly meet the challenge of economic

globalization and to promote common development, and in light of suggestions by some African countries, China created FOCAC in 2000 to coordinate interaction with the entire continent, both Sub-Saharan and North Africa, both foreign ministry and other organizations and actors. FOCAC is a platform for collective consultation and dialogue and a cooperation mechanism between the developing countries, which falls into the category of South-South cooperation. The characteristics of the forum are as follows:

1. Pragmatic Cooperation: to strengthen consultation and expand cooperation and its focus is on cooperation.

2. Equality and Mutual Benefit: to promote both political dialogue and economic cooperation and trade, with a view to seeking mutual reinforcement and common development.¹³

Until now, there have been three ministerial conferences and one summit under the umbrella of FOCAC. The first ministerial conference of FOCAC was held in Beijing from 10-12 October 2000. From 15-16 December 2003, the Second Ministerial Conference of FOCAC was convened in Addis Ababa, Ethiopia. The first summit and the third ministerial conference was hold from 3-5 November 2006. In his opening speech president Hu Jintao declared the eight commitments from the Chinese government.¹⁴

¹³ "Characteristics of FOCAC," 20 September 2006, http://english.focacsummit.org/2006-09/20/content_647.htm, accessed 11 May 2009.

¹⁴ These commitments include: 1. Double its 2006 assistance to Africa by 2009; 2. Provide US\$3 billion of preferential loans and US\$2 billion of preferential buyer's credits to Africa in the next three years; 3. Set up a China-Africa development fund; 4. Build a conference centre for the African Union to support African integration; 5. Cancel debt in the form of all the interest-free government loans that matured at the end of 2005; 6. Further open up China's market to Africa by increasing exports receiving zero-tariff treatment from the least developed countries in Africa having diplomatic ties with China. 7. Establish three to five trade and economic cooperation zones in Africa in the next three years. 8. Over the next three years, train 15,000 African professionals; send 100 senior agricultural experts to Africa; set up 10 special agricultural technology demonstration centres in Africa; build 30 hospitals in Africa and provide RMB 300 million of grant for providing artemisinin and building 30 malaria prevention and treatment centres to fight malaria in Africa; dispatch 300 youth volunteers to Africa; build 100 rural schools in Africa; and increase the number of Chinese government scholarships to African students from the current 2,000 per year to 4,000 per year by 2009.

To oversee the implementation of final decisions of FOCAC conferences, China and Africa also agreed to set up joint follow-up mechanisms at various levels. Under these mechanisms, the ministers meet after three years to evaluate progress in the implementation of the decisions, senior officials meet every two years and ambassadors to China on a regular basis. The Senior Officials Meetings and the Ministerial Conferences are convened alternately in China and Africa within the framework of the Forum on China-Africa Cooperation.¹⁵

As has been noted:

The FOCAC process provides a unique diplomatic mechanism to promote dialogue between China and Africa, while at the same time it facilitates the development of a common political and economic agenda which will advance constructive South-South cooperation for mutual benefit. FOCAC is the arena for developing Sino-African cooperation and problem solving and also provides an important framework for developing a common development agenda in a rapidly globalising international system. The FOCAC deliberations have brought African and Chinese leaders closer together and crafted a shared vision for policy coordination, expanded commercial interaction and common prosperity.¹⁶

Indeed, FOCAC has made a big contribution to bilateral relationships and emphasized that China intends to assist Africa over the longer term, rather than simply seek an exploitative relationship based on oil and mineral extraction.

Address By Hu Jintao, President of the People's Republic of China, At the Opening Ceremony of the Beijing Summit of The Forum on China-Africa Cooperation, Beijing, 4 November 2006, http://english.focacsummit.org/2006-11/04/content_4978.htm

¹⁵ 'Establishment of Follow-up Mechanisms', 21 September 2006, http://english.focacsummit.org/2006-09/21/content_807.htm

¹⁶ Garth Shelton and Farhana Paruk, *The Forum on China–Africa Cooperation: A Strategic Opportunity,* Johannesburg: Institute for Security Studies, South Africa, 2008, p. 2.

What are the Challenges?

Under the framework of FOCAC and its follow-up mechanisms, China has integrated its Africa policy-making and implementation, and made many contributions to African development. However, the world economic crisis since 2007 has made the future of the fourth FOCAC ministerial conference, to be held later in 2009, more gloomy. The impact of economic crisis on China-Africa relation is twofold.

On one hand, the Chinese economic slowdown reduces the resources that are potentially available for the next FOCAC meeting. Hu Jintao said at the London G20 summit in April 2009 that China will, within its capability, continue to increase its aid to Africa, reduce or cancel African countries' debts, expand its trade and increase investment in Africa, fulfilling the commitments it made during the Beijing Summit of the Forum on China-Africa Cooperation in 2006. Even so, Chinese government's Rmb4trn stimulus package announced early this year means that most of Chinese financial resources will be invested in the domestic economy rather than to Africa or elsewhere.

On the other hand, because the Chinese economy now is export-oriented, the crisis will greatly reduce the volume of China-Africa trade due to the western countries' needs diminishing. For example, 50% of Sudan's oil exports go to China, but this figure does not mean that this oil is bought by Chinese consumers. In fact, China National Petroleum Corporation (CNPC), the company which controls the oil transactions between China and Sudan, does not sell the oil imported from Sudan on the Chinese domestic market. Instead, CNPC sells it on the international market for higher profits. And in 2006, Japan was the largest single recipient of Sudanese oil. Now, because of the economic crisis, the needs of the international market have shrunk. This will lower Sudan's oil revenue. According to the Sudanese Ministry of Finance and National Economy, the total oil revenue for February and March 2009 was US\$48m and US\$90m respectively. These figures contrast sharply with the revenue figures in November 2008 of US\$348m and the US\$608m received in October.¹⁷

More importantly, the world crisis makes the challenges of the 4th FOCAC ministerial conference more prominent. These challenges include:

¹⁷ 'Sudan's Oil Revenue for February & March Hits Record Low', *Sudan Tribune*, 6 May 2009, http://www.sudantribune.com/spip.php?article31078

The 'development-security nexus' in Africa will be more urgent

Although its economy has shown stable growth, with an improved security situation, the development-security nexus in Africa is still serious. The World Bank's latest forecast is that the continent can expect growth of only 1.7% in 2009, less than one-third of the 5.7% expected before the crisis. Growth in oil-exporting countries is expected to fall to 2.4% in 2009 compared to 3.3% for net oil importers. The collapse of commodity prices and falling demand from OECD countries will have an adverse effect on Africa's national budgets, with the regional budget deficit for 2009 projected to hover around 5.5% of GDP compared to earlier forecasts of a surplus of 3.4%. Foreign direct investment fell by around 10% in 2008.¹⁸ The economic deterioration will have impact negatively on security. In some parts of Africa, the immediate future is concerning.

Capacity to fulfil future commitments is decreasing

This challenge has two aspects. On the one hand, the Chinese government made generous commitments to African countries in the 2006 summit, and is fulfilling them according to the schedule. This success perhaps will give African governments more confidence in China's capability to make more commitments at the next FOCAC meeting. However, the world economic crisis, in addition to the diversification of actors, has put great pressure on fulfilling the old commitments and undertaking new ones. On the other hand, Africa needs to strengthen its commitment to FOCAC by speeding up the implementation of FOCAC undertakings. Construction delays, caused by bureaucratic difficulties, are often experienced by Chinese companies seeking to implement FOCAC projects.¹⁹ Unfortunately, the world economic crisis will not alleviate this, but will make things worse.

• The expectation gap between Africa and the western countries to China's future performance is increasing

African countries, because of the world economic crisis and the past success of China-Africa relations, hope that China could make greater commitments in the next ministers' meeting and will completely fulfil them. They also hope that China-Africa relationship will be successful in the

¹⁸ African Development Bank, *African Economic Outlook*, May 2009, http://www.africaneconomicoutlook.org/en/outlook/

¹⁹ Garth Shelton and Farhana Paruk, *The Forum on China–Africa Cooperation: A Strategic Opportunity,* Johannesburg: Institute for Security Studies, South Africa, 2008, p. 152.

future, which could provide for them more space for bargaining with western donors.

However, things are different for the West. Western countries have complex feelings about the relationship between China and Africa, at times fearing that China will use the world economic crisis to engage more in Africa and extend its economic and political influence. China has at least two reasons for justifying such a course of action: one is the shock of economic crisis to the Chinese economy is smaller than that to the West, and another is the fact that the West, weakened in its negotiating position as a result of the crisis, has softened its position on China-Africa issues as a means of creating a more positive relationship with Africa. Western powers wish to influence the direction of African countries' relations with China to meet their own priorities.

To some extent, China's Africa policy has been manipulated by other actors, so that its real impact has been difficult to assess.

From both state to non government actors, Africa is a complex territory, with many different types and sizes of organisations. This means that the interpretation and impact of China's actions have sometimes been distorted, misinterpreted, or misunderstood. Perhaps the simplest way of remedying this is to admit that there is complexity on both sides. China is not a unitary actor in Africa. We need to be more knowledgeable about how China acts, who acts on its behalf, on the different levels of engagement. On the other hand, China needs, as a state actor and as corporate actor, to communicate its objectives in Africa better. It has improved but in view of its increasing ascendancy and impact in Africa, it will need to do more in the years ahead to avoid being misunderstood.

What will it look like in the future?

Based on current achievements and faced with new opportunities and challenges, China should include the promotion of FOCAC and China-Africa relations within the overall framework of China's foreign strategy. It should upgrade the China-Africa new strategic partnership with an eye to international cooperation with the third parties. For the fourth Ministerial Conference of FOCAC, it should focus on the following aspects:

1. Advancing South-South Cooperation and Promoting International Systemic Reform

It is widely acknowledged that China's very significant intervention in Africa over the last few years has completely altered the continent's traditional dependency on the US and other developed nation donors.²⁰ Africa now has an alternative source of aid, trade and investment. Beyond that, China and Africa are still linked by the common cause of advancing the South-South agenda. The world economic crisis has a systematic consequence which is to accelerate the transformation and reform of the current international system, through organizations like the World Bank, World Trade Organisation, and International Monetary Fund. The new model for the international system will include a sustainable world economic system, an inclusive and orderly international financial system, a just and reasonable international trade system and an equitable and efficient global development system which have commensurate mechanisms, institutions, issues and the support of the full international system, and are fit for purpose in the 21st century.

As an important component of China's external strategy, FOCAC has established a new international cooperation framework featuring aspirations for equality, fairness, mutual benefits, cooperation and longterm stability. FOCAC should set up strategic forums within its current framework focusing on the world economy, finance, trade and global development, not only to cope with the common challenges to both China and Africa, but also to promote the overall new world system moving in a more equitable direction and allowing China and Africa a louder voice in the world system commensurate with their importance and global role.

2. Advancing International Cooperation and Relations with Third Parties

China has legitimate interests in Africa and in many areas can work with third parties for mutual benefit. In particular, in assisting Africa to achieve the objectives of development and security, China should look to work with other countries on the basis of mutual trust. This has to be predicated on taking into account African interests, rather than enforcing any external

²⁰ See Chris Alden, 'Leveraging the Dragon: Toward an Africa that Can Say No', Yale Global Online,2005 http://search.yale.edu:8765/ycsg/query.html?col=ycsg&qt=leveraging+the+dragon&x=22&y=8

solutions or perspectives. Far from developed countries resisting and battling with China over their interests and perceived conflicts in Africa, it is now clear that in many areas they can, and should, work together. The appearance of China as a new and influential actor in Africa offers a new way of operating in some key areas.

3. Upgrading the China-Africa New Strategic Partnership

FOCAC should become the platform to promote the China-Africa strategic partnership and promote China's position in the international system. Therefore, it is necessary to strengthen FOCAC's role and influence in the following areas:

First, with the increasing impacts of democratization in Africa and the evolution of international politics and social ideas on China-Africa relations, **the next FOCAC ministerial conference should establish 'Strategic Political Dialogue' or similar forum within its framework** to cope with possible influences and challenges and to consolidate political equality and mutual trust between China and Africa. More importantly, this new dialogue mechanism should address the problem of how to balance the urgent needs of both development and security, and help both sides define, and understand, their expectations towards each other.

Secondly, given the negative impacts of the world economic crisis, a 'Strategic Economic Dialogue' should be established within the framework, to safeguard the world economic development, to promote China-Africa economic relations and a balanced and multi-lateral development of the African economy, to realize a genuine complementary cooperation and mutual benefit between China and Africa and to promote their common progress and development. The next ministerial conference has to strike a balance between African and Western expectations. That is, it should carefully avoid setting two extreme goals. It should avoid setting the bar too high, and then failing, or setting it too low and disappointing Africa. Thus, there is a need to establish a flexible aim for the next FOCAC meeting with both upper and lower limits. With this, China will have more room for explaining its real goal to both Africa and the developed world. As a result of the engagement over the last few years, China and Africa understand each other much better, and are more knowledgeable about their different ways of acting. This offers the best basis to now move to a new, more intense and extensive way of working with each other.

Finally, given the changing media environment and in order to maintain the China-Africa traditional friendship and adapt it to the new situations, it is necessary to **establish a 'China-Africa Cultural Exchange Fund' within the framework**, which will create a new model for China-Africa cultural exchange and interactions, reinforcing the mutual understanding referred to above and disseminating this to different constituencies in Africa and China.

There are still many other issues that should be addressed, for example, agriculture, food crisis, peacekeeping and peacemaking operation, science and technology, education, etc. However, the above three points are the priority to build a framework within which China's relations with Africa can move forward.

Conclusion

The past decade has witnessed a major and very significant increase in China's engagement in Africa. FOCAC was established, and is now running, as the main means by which to conduct dialogue between different African nations and China over where the general direction of this relationship should go. More importantly, it provides an integrative framework for treating Africa as a single actor, which will greatly promote the identity-building of Africa and differentiate itself with other relationship. As Shelton and Paruk put it, 'the FOCAC process offers Africa a new opportunity for a partnership with China and the prospect of a long-term mutually beneficial relationship with the world's fastest-growing economy.²¹ There have been issues, about the way that both sides work, and the attitude of the developed world to China's new influence. On the whole, however, China has done many positive things in Africa. The issue now is where to take this important relationship, and how the rest of the world engages with it. The next few years will be crucial in seeing how this develops.

²¹ Garth Shelton and Farhana Paruk, *The Forum on China–Africa Cooperation: A Strategic Opportunity,* Johannesburg: Institute for Security Studies, South Africa, 2008, p. 7.