

Asia plays key role in Africa's transformation



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Africa has always lagged behind other continents in international influence. Often considered a backward or “[dark continent](#),” as it was called by the explorer [HM Stanley](#), this part of the world was never in the limelight economically or politically.

Afflicted by political instability as well as rampant poverty, it required help from more developed countries. Even though it sits on around 30% of the world’s reserves of minerals and hydrocarbons and is home to nearly 14% of the global population, its share of global manufacturing was a negligible 1% from 2000 to 2011. China’s need for energy and raw materials to maximize its manufacturing capacity and boost its economic growth was a blessing in disguise for African countries, which have seen Beijing increase its engagement with the region over the last couple of decades.

Redefining the importance of Africa, China started large-scale trade activities and made its business interests with the continent a top priority. Since the first Forum on China-Africa Cooperation (FOCAC) in 2000, many African nations have begun to develop more rapidly. At last, infrastructure projects and trade deals materialized to help this forgotten continent gain prominence on the global development map.

Because China provided funding to help create jobs and improve living standards, the continent gradually underwent an economic transformation. China’s investments in rail development allowed for the transport of food, medicine and other necessities to areas that had previously been inaccessible. Even now, paved roads are considered a luxury in many parts of Africa. Cooperation on

scientific research, technology and innovation is also an important feature of the China-Africa relationship.

Now that China has become firmly entrenched in Africa, India has begun to feel like it is at a disadvantage in the region. Consequently, India is taking a greater interest in the development of Africa. The European Union and the US have not played a great role in African development and infrastructure projects, leaving an open playing field for China. India, on the other hand, is now attempting to make up for lost time by trying to establish a more multi-dimensional presence there to counter China. Interestingly, India is following an identical pattern to that of China in Africa right now.

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[India](#) also has its own triennial Africa summit, and one is being held this year. Increasing its trade volume from \$6.5 billion to nearly \$70 billion between 2003 and 2014, India is now the fastest-growing African partner after China. Like China has the Belt and Road Initiative (BRI), India has plans to have an Asia-Africa Growth Corridor (AAGC), so there are similarities with China in its style of engagement with the continent. However, while the BRI is both a land and sea corridor, the proposed AAGC is essentially just a maritime route linking Africa with India. Thus, what we are witnessing in Africa is a low-key competition between China and India to gain influence. However, India still has a long way to go before it can regain lost ground in Africa, as China has already established close ties and trade links.

This year has been particularly important vis a vis China-Africa ties as the 7th Forum on China-Africa Co-operation in Beijing this week has been upgraded from a ministerial conference held every three years to the level of a summit with African leaders. At the last conference in 2015, President Xi Jinping pledged [\\$60 billion](#) in development assistance to industrialize the African continent, which still has over 600 million people without access to electricity, a serious lack of infrastructure and a primitive transport system. At this year's summit, more prospects for development will be finalized. China committed [\\$75 billion in aid to the continent](#) from 2001 to 2011 on easy terms to tackle the massive infrastructure deficit in power and transport. In fact, the African continent requires funding to the tune of a massive [\\$90 billion every year for the next decade](#) to bring it up to the standards of the developed world. Not only that, constant spending is required for new investments as well as the maintenance, upkeep and operations. Up till now, nearly 75% of Chinese investment has been in just 10 countries. Last year at the Belt and Road Forum, Kenya and Ethiopia were the only two African

nations that inked trade and economic agreements. That situation is expected to change now with the latest FOCAC as more African countries get on the BRI bandwagon.

According to [Cobus van Staden](#) from the South African Institute of International Affairs, “The initiative will probably be expanded to include the whole of Africa.” In his opinion, instead of looking at the continent as a market, there will be more focus on manufacturing and assembly in Africa.” With links to 54 African nations, China has more than 3,000 essential infrastructure projects in progress while more than [\\$86 billion](#) were given in commercial loans to African governments and state-owned entities from 2000 to 2014 at an average of about \$6 billion a year to provide funding for sustainable development. More than 10,000 Chinese firms are conducting business, a third of which are involved in manufacturing and provide jobs for locals, reports a [2017 McKinsey study](#).

Making significant contributions in job creation, transfer of technology and the development of useful skills, China is gradually bringing Africa to the next level and this also benefits the rest of the world. Geopolitical considerations aside, the African people can look forward to better living standards.

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