

Africa: A Story of Modern-Day Colonialism

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Abstract

Africa no longer bows to the West and its formal colonial powers. With the change in the global world order, more about the continent is now aligned politically and economically with the new world order driven by cheap and interest free loans by the China. To buy the allies Beijing has pumped huge amount of money into the African continent. China is providing low interest loans for number of infrastructure projects in terms of financial assistances. Although, this co-operation and engagement has many significances and these loans are not coming free of cost. Due to the absence of regional market and industries, these loans started suffocating African countries and allowed Beijing's indirect interference in regional political and economic system. It helped China to mobilising its policy of expansionism for "Great Rejuvenation" and "Chinese Dream" more aggressively. The study analyses unprecedented political and economic crises in Africa due to the Chinese "Debt Trap" policy in the context of modern-day colonialism. Within this context the article also proposes options for Africa continent issues.

Keywords: *Africa, China, Debt Trap, Colonialism, Expansionism, and Covid-19.*

Introduction

The 21st century is witnessing the shift of traditional power politics to the era of economic imperialism, expansionism, and authoritarian regimes with modern colonialism. Those who believed to influence the world with modern weapons and the mighty armies were forced to change their tactic due to substantial economic cost in war, resentment in their public for wasting

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taxpayers' money and their soldiers' life. It led the contemporary powers to recalibrate their strategy. It pushed them to abandon all the peace, development, and security gained from the last few decades in the third world countries. The vacuum created by the Western powers was quickly filled by Chinese interest-free loans, strategic cooperation and infrastructure development. In the beginning, most countries in Asia and Africa enjoyed the red carpet rolled out by Beijing. But, soon after the Chinese economic cooperation with these countries, many of them were scuffed with a "Debt trap", which forced them to sell out or handed over infrastructure projects, natural resources, ports and political integrity in the hands of China. China has successfully changed the idea of hegemony through economic power rather than through military power. Recent COVID-19 vaccine lobbying and the Afghanistan crisis have proved Beijing's intentions to acknowledge the Taliban for its economic interests. After the West's ignorance, African and Asian nations (primarily) are trying hard to develop relationships based on mutual benefits. As a result, a new form of expansionism through economic engagements and interest-free loans, led countries to modern-day slavery under Beijing. International Monetary Funds warns of rising debt levels of low-income countries. Djibouti's public debt exceeds 70 per cent of its GDP.¹ Ethiopia is also under huge debt, Sri Lanka handed over port Hambantota², and newly built port Colombo autonomy, Maldives is under a severe loan, Pakistan is always under the mercy of loan giver countries, the South-China Sea also witnessing a new great game of expansionism and the collapse of Afghanistan shocked the democratic setups of the world. All these existential crises are pushing third world countries into the dark age of slavery and economic colonialism. This paper analyses how and why Beijing increasing its influence in the region. On the bases of it, the paper also argues how Chinese soft loan is changing the political economy of African countries. Further, the article also highlights the options for Africa.

China-Africa in the 21st Centaury

The strong foundation of today's China-Africa relations started during the time of Mao Zedong. The tug of war between the U.S and the USSR forced African countries to look for other reliable partners for the development. However,

China itself was going through a number of economic and political challenges but it continues its support to Africa. The relationship between the two sides starts concertized when China gets approximately 33 per cent votes from the African continent at the time of the United Nations Security Council (UNSC) permanent seat.³ This was the time when Beijing realised the importance of third world countries for China. The Cold War helped China to get closer to all those countries who were fed up with the West and the Soviet set up of the political, economic and strategic system. The political relations started developing into economic relations and after the disintegration of the Soviet Union, Beijing got free run in the African countries. It was the same time when most of the colonial countries went through the economic crisis and China was going through rapid economic transformation. Chinese industry's raw material demands were reaching to new heights. African continent became one of the biggest sources of raw material for Beijing. African natural resources opened the floodgate for Chinese crony capitalism.

At present, even after the global slowdown due to the covid-19 pandemic, Chinese trade with African countries rose from more than 35 per cent to 254 billion U.S dollars in 2021.⁴ This growth is primarily in the pharmaceutical products and other essential equipment required for the covid-19 pandemic. Most of these were delivered to African countries without maintaining the global standard. Defective protective gears from China resulted in the rise of more covid cases in the continent.⁵ Where the EU was considering taking action against faulty Chinese equipment², African countries that were under economic pressure were forced to accept all this medical equipment.⁶

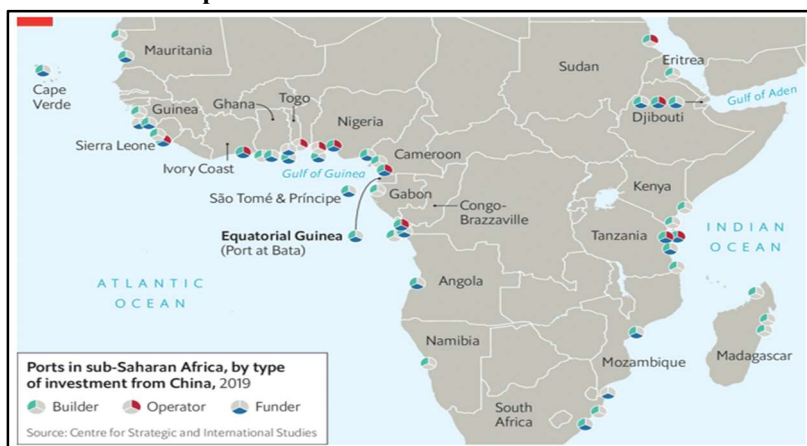
The reason how China became so stronger in the continent is that Beijing reached out to a number of small improvised African nations and offered number of infrastructure projects, development loans through its Exim Bank. Between 2000 to 2019, Beijing gave 153 billion loans to African countries. China invested in rail, road, airports and mining projects of resource-rich Africa. Initially, all of these projects look so attractive to African nations on such a small interest loan. But later, the projects were failed due to no regional markets, industries, and customers. The burden of Chinese interest started increasing gradually and resulted into the giving up of natural resources mines

and infrastructure projects directly into the hands of Beijing. Interestingly, whither ever infrastructure investment initiatives were taken by Chinese for African countries were worked for Beijing to maintain its economic growth. Indirectly, African countries are paying for maintaining and the revival of Chinese companies rather than China paying for African infrastructure projects. This is a paradoxical thing so far.

Historically and at present, Africans became the primary victim of economic abuse. Colonial powers pushed Africa into cash crops economic system and China led the continent into debt depression. Both ways African countries lost the most. Many African countries have a trade deficit with China.⁷ Beijing's African economic systems primarily works in three steps of *Loan-Default-Seize*, when African countries were not able to pay the loan were compensated by piece of land for permanent Chinese base in the continent. The Centre for Strategic and International Studies pinpointed approximately 50 ports where the Chinese are engaged in infrastructure development to increase its political and military reach.⁸

The U.S classified report mentioned by The Wall Street Journal also mentioned that Chinese military ambitions are increasing in the African continent. The report mentioned that Beijing intends to establish a permanent military base in Equatorial Guinea.⁹ It could be China's first military base in the Atlantic Ocean and may pose a direct challenge to the U.S in the coming future.

Map 01: Chines Investments in African Ports



Source: Map is taken from The Economist Newspaper article published on 11 December 2021, URL: <https://www.economist.com/china/2021/12/09/america-worries-about-chinas-military-ambitions-in-africa>, Accessed on 25 February 2022.

What is China's Africa Policy?

At present Chinese African policy seems similar to the policy adopted by the most of colonial powers. Countries in Africa exchange their raw material for getting Chinese made end products. It paved the way for China to dominate the regional economy and made Africa heavily dependent on China. To influence the continent, China's Africa policy persuaded with South-South Solidarity discourse undergirded by Beijing's national interest.³ Since 2006, when China released its first policy paper on Africa, ensured non-interference, equality and mutual benefits.³ But in practice, this policy with comprehensive financial assistance to African countries made China a major player in Africa and changed the balance of power in the continent. This policy became more aggressive after the Chinese Communist Party General Secretary Xi took control over China in 2012. CCP's General Secretary Xi Jinping have greater international ambitions than its predecessor and pushed China's "Great Rejuvenation" and "Chinese Dream" more aggressively. Xi wants China to get back its deserved place in the world order and the African continent is playing a crucial role in it.³ In the backdrop of this policy, Beijing mobilised its citizen

to achieve nation interest. China invested in the number of African infrastructure projects through its state-owned companies and provided new breath economic stability to its companies which were in negative growth nationally. Most of the lucrative investments in Africa is held by Chinese companies and their workers. Africans are primarily working as labour in mines and infrastructure projects. Africans have big resentment against the Chinese and their policies in the continent.⁷ There were reports of a number of attacks on Chinese citizens in Africa.⁴

To understand China's policy in Africa, it is very important to establish and understand linkages between China's national and international policy. It is based on three pillars. First, CCP general secretary leadership legitimacy.³ Second, to represent China as a soft power on the world stage, investment in an infrastructure project, and debt trap to influence the world order.⁴ Third, to continue China's economic growth with endless rare natural resources of the African continent to expand the Chinese market.⁷ These three pillars reflect those African countries are providing favourable ground to Xi to test Beijing's influence, diplomacy and power politics in the world. There are a number of scholars who exposed the Chinese engagements in Africa and how debt trap loans are propagandised in the continent in the favour of CCP.⁷ There are only two parties who are getting strong in Africa. One is political parties funded and corrupted by Beijing, other is CCP itself. Asymmetric economic relations of African countries with undisclosed Memorandum of Understandings (MoU) and agreements China is a direct threat to African countries' sovereignty.⁹ Zambia is a classic example of Beijing's neo-colonialism in Africa. After winning elections in 2011, President Michael Sata was concerned about the challenge of economic dependence and brought a number of tax reforms to decrease the dependence but all the tax reforms were backed down because Chinese companies lobbied against the Sata government. Sata became the powerless president after the Beijing interference.¹⁰ Beijing is more concerned about the protection of its businesses and mercantilist interests rather than the welfare of African and human rights abuses in the continent. Francois Bozize's directorial regime of the Central African Republic was also supported by financial investments in telecommunication and mining by China in 2003.⁸

Beijing also gave full support to regional political defaulters based on self-interest. Supported Darfur crises with illicit sales of arms and gave protection to Sudan for blocking any resolution taken by the UN against them as Beijing have an investment in their oil industry.^{7,8}

Conclusion and Options for Africa?

African countries require structural reforms. In the colonial time the continent was highly dependent on aid given by their colonial masters and at present, when the continent is going toward neo-colonialism, is getting highly dependent on Chinese low-interest loans. But, the vacuum of industrialisation of the continent remained as it is. There is a need to develop regional markets for local products with policy protection from the cheap third-grade products exported and sold by the Chinese in the continent. With an additional need to unite against competitive rules for the African markets to protect them from exploitation on the name of economic aid and globalisation. The covid-19 pandemic is a lesson for the continent to analyse the reliability and dependency of the continent. There is a need to establish an industrial region in the continent. African countries need to bargain on mutual benefit grounds rather than to seek low-interest loans from other countries. Infrastructure development assistance is good for the continent but countries need to ask for industrial investments with localising technologies. It will help to generate work opportunities for locals. Another option for African countries to invest in skilled labour and establishment skill training institutes will help African countries to match with technical and economic global order. The Asia-Africa Growth Corridor (AAGC) is another option for Africa to look for. It focused on a people-centric sustainable growth strategy. Started in 2016, with the vision of Bharatn Prime Minister Shri Narendra Modi and Japanese Prime Minister Shinzo Abe's vision, AAGC works on four pillars namely, enhancing capacities, skills, people-to-people partnerships, quality infrastructure and institutional connectivity. Africa can also look for collaborative initiatives with South American and Southeast Asian countries. It will help African countries on the bases of more reasonable mutual benefits.

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