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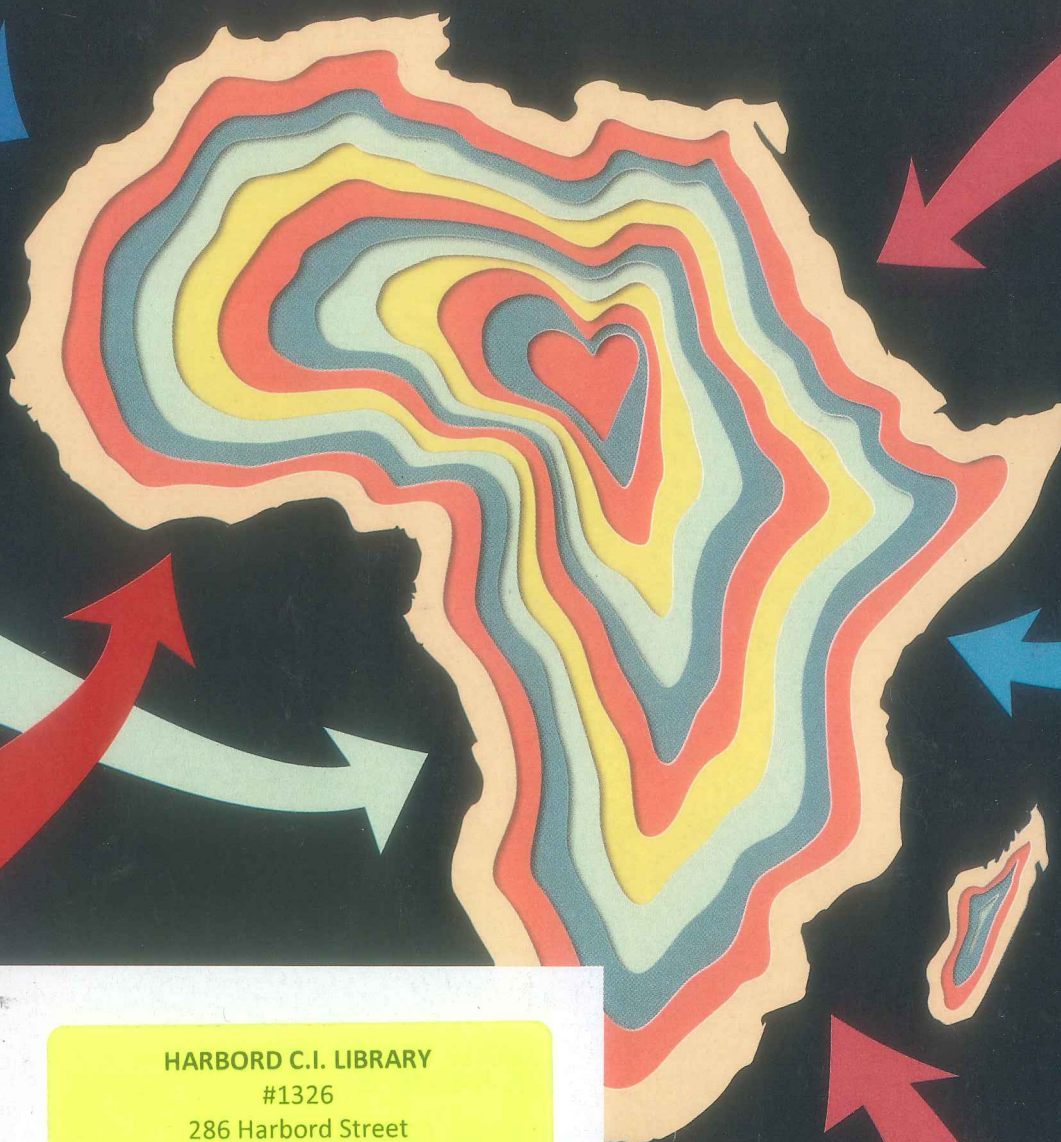
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MARCH 9TH-15TH 2019

The new scramble for Africa

And how Africans could win it



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Choices on the continent

DJIBOUTI

More and more countries are following China's lead in forging links with Africa. The West lags behind

GRAHAM GREENE, chronicler of hazy entrepôts, would have loved Djibouti. A third of global shipping steams by this little bit of north-east Africa. All the world, it seems, is crammed together in its capital. French, Italian and Japanese military bases jostle each other near the shore. Camp Lemonnier, formerly run by the French Foreign Legion and now America's only permanent military base in Africa, sits by the airport; China's first such base is a little to the north-west of it. Indian and British embassies will soon open. Within weeks the Türkiye Diyanet Foundation will open the largest mosque in east Africa in the city; the muezzin will struggle to be heard amid the roar of fighter jets overhead.

From the top of the minaret you can see China—not because it rises all the way to orbit, but because there is a lot of China to see right in front of you. Djibouti is small, but it boasts a multipurpose port, a railway to Ethiopia and the beginnings of a free-trade zone which, once finished, will be the largest in Africa. They were all built by Chinese state-owned firms and are at least partly run by them. On a visit to the port

(pictured) your correspondent waves at the sailors on a Chinese naval vessel one berth along from a freighter filled with Ukrainian grain; their returning looks prompt the question of what is Mandarin for disdain.

According to McKinsey, a management consultancy, there are now 10,000 Chinese businesses on the African continent. China's dramatic investments have encouraged other countries, most notably India, to follow suit. At the same time, China is changing the terms of its engagement, increasingly cashing in economic connections for political and military ties—again with others, such as Turkey and Russia, looking to do the same. Alex Vines of Chatham House, a think-tank in London, talks of a “new scramble for Africa”.

Comparisons to the European race for colonies in the late 19th century gall Africans keen to point out vast differences. It is true that the resources colonialists coveted still provide a lure. But the new scramblers want more than just a share of what Africa has; they want a stake in what it is now trying to build—in the economies and growing global stature of the world's second-

most-populous continent, poised between two of its three great oceans.

This suggests that the continent will increasingly be a place where international rivalries play out. In a speech in December John Bolton, President Donald Trump's national security adviser, spoke of it as the site for a new era of “great power competition”. But such competition does not have to be a zero-sum game. Infrastructure investments tend to benefit all comers, not just the investors. Most of all, they can benefit Africans. Though the new scramblers are often powerful, much of what they want cannot just be taken. It must be given. African nations are the primary players in the game. How they play it will be a decisive factor in how well the continent fulfils the promise outsiders see in it.

Its majestic herds of diplomats

According to the Diplometrics project at the University of Denver more than 320 embassies or consulates were opened in Africa between 2010 and 2016. Turkey alone opened 26 (see maps on next page). The boom continues: last year India announced it would open 18 more. Foreign leaders are supporting the diplomatic push. This year Vladimir Putin, the Russian president, is set to host the first Russia-Africa summit, a tribute act to the triennial Forum on Africa-China Co-operation (FOCAC), in Beijing. Hosted by President Xi Jinping, last year's FOCAC attracted more African leaders than the annual meeting of the UN General Assembly. Japan and Brit- ▶▶

ain are also hosting gatherings in the coming months.

When not hosting African politicians, foreign leaders are visiting them. China's top officials made 79 visits to Africa in the decade up to 2018. Since 2008 Turkey's leader, Recep Tayyip Erdogan, has paid more than 30 visits to African countries, most of them sub-Saharan. Emmanuel Macron has visited the continent nine times since becoming president of France in 2017; Narendra Modi has visited eight African countries during his five years in power in India. But not all are so keen. Kanye West and Kim Kardashian have visited more African leaders than has Mr Trump, who has yet to set foot on the continent.

Such visits and summits are in part efforts to make use of Africa's diplomatic clout. Its 54 nations make up more than a quarter of the UN General Assembly and by custom it always has three of the 15 non-permanent seats on the Security Council. China has persuaded nearly every African state to ditch diplomatic recognition of Taiwan; only eSwatini (formerly Swaziland) remains to be swayed. Russia has petitioned African politicians over its claims to Crimea; 28 African countries abstained on a General Assembly motion condemning the annexation. Israel has sought recognition of Jerusalem as its capital, and now has Togo on its side.

Military ties are strengthening alongside the diplomatic ones. The Horn of Africa has become part of the broader competition between Saudi Arabia and the United Arab Emirates (UAE) on one side and Iran, Qatar and Turkey on the other. In 2017 Turkey built its largest overseas military base, and its first in Africa, in Somalia. Saudi Arabia and the UAE have launched attacks into Yemen from their positions in the Horn. Saudi Arabia has also recruited soldiers from Sudan, some of them children. It is also thought to be keen to open a base in Djibouti; the UAE is set to open a new one in neighbouring Somaliland.

China's military influence stretches well beyond the base in Djibouti. Last year the People's Liberation Army (PLA) conducted exercises in Cameroon, Gabon, Ghana and Nigeria. Chinese popular culture celebrates Africa as a place for deriding-do. In 2017 "Wolf Warrior 2", a film in which Chinese special forces save belea-

guered doctors in Africa, set new records at the box office. "Peacekeeping Infantry Battalion", a television show, celebrates China's role as a provider of blue helmets. The country fields more UN peacekeepers than any of the Security Council's other four permanent members, most of them in the Democratic Republic of Congo, Mali, South Sudan and Sudan.

This interest in peace goes hand in hand with a brisk business in arms; China sells more weapons in sub-Saharan Africa than any other nation. It accounted for 27% of the region's arms imports in 2013-17, compared with 16% in 2008-12, according to the Stockholm International Peace Research Institute. China claims military ties, some of them simply co-operative rather than commercial, with 45 African governments. Its aims are several, says Lina Benabdallah of Wake Forest University. It wants to be seen as a power with intercontinental reach. It wants to protect trade; in Beijing, east Africa is counted part of "the Maritime Silk Road". And there are more than 1m Chinese living in Africa who may need protection, too. During the Libyan revolution of 2011 a Chinese naval vessel helped in the evacuation of thousands of Chinese contractors from the country.

Mighty flows of money

Chinese expansion has worried other Asian powers. Japan is enlarging its base in Djibouti. India is developing a network of radar and listening posts around the Indian Ocean, though plans for a base in the Seychelles were blocked by the archipelago last year. In March the Indian army will host its first military exercises with a number of African countries, including Tanzania, Kenya and South Africa.

Keeping up with the Joneses is not the only reason for military involvement. European countries are stepping up their presence in the Sahel, the arid region on the southern edge of the Sahara desert, aiming both to quell Islamic terrorism and stem the flow of migrants to Europe. The EU is also supporting soldiers from the "G5 Sahel" group of Burkina Faso, Chad, Mali, Mauritania and Niger.

Russia's moves are more muscular, and more mercenary. Often the key figures are cronies of Mr Putin, like Yevgeny Prigozhin, a former chef, rather than official

state employees. Mr Vines likens them to Cecil Rhodes and other 19th-century imperialists who would lead private invasions with the implicit protection of the government back home. Last year, after the Central African Republic (CAR) asked for help fighting rebels, Russia barged aside France, the CAR's former colonial ruler, quickly sending arms and advisers. Experts in extractive industry soon followed. The defence ministry is now home to a group of Russian "advisers". Last year's Miss Central African Republic beauty pageant attracted the generous sponsorship of Lobaye Invest, a Russian diamond company.

Though its role in the CAR is the most high-profile, Russia has been intensifying its links across Africa. At least 250,000 Africans were trained in or by the Soviet Union before its demise in 1991, which provides scope for the renewal of old relationships. Russian political advisers have been busy in countries such as Zimbabwe, Guinea and Madagascar.

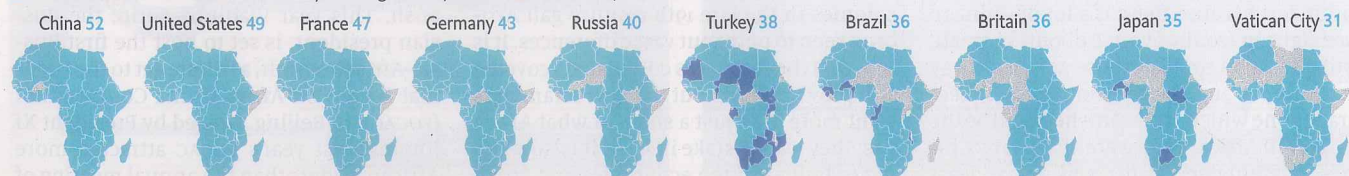
As others have bolstered links with Africa, America has "stepped away", notes Judd Devermont of the Centre for Strategic and International Studies, a think-tank. It has cut funding for development and diplomatic programmes. It has announced a 10% reduction in troops in Africa and has left key positions unfilled; it took Mr Trump's administration 18 months to fill the top Africa job in the State Department.

America's relative economic importance is also waning. In 2006 America, China and France were the three countries doing the most trade with sub-Saharan Africa, defined as the sum of imports and exports (see chart on next page). From 2006 to 2018 Chinese trade increased by 226% and India's by 292%. Other countries also posted impressive increases, although from low starting points: 216% for Turkey, 335% for Russia, 224% for Indonesia. The EU, still all-told the region's largest trading partner, managed only a modest 41%. American trade with sub-Saharan Africa shrank.

The top sources of foreign direct investment (FDI) are firms from America, Britain and France. But last year a UN report on global FDI found that the "geographical sources of FDI to Africa are becoming more diversified." China's stock of FDI grew from \$16bn in 2011 to \$40bn in 2016, slightly less than France's (\$49bn). Investments from ►►

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■ Embassies and consulates in Africa, by sending country, 2016 ■ of which opened since 2013



Source: Pardee Centre for International Futures, Diplometrics Project

A league of its own

Trading partners with sub-Saharan Africa, selected

Change in rank 2006-18	Total merchandise trade, 2018*, \$bn	% change 2006-18*
European Union —	156	41
China ↑1	120	226
India ↑2	58	292
United States ↓2	36	-45
UAE ↑4	20	221
Japan ↓2	14	-12
Switzerland —	14	81
Saudi Arabia —	14	108
Indonesia ↑8	9	224
South Korea ↑1	9	69
Thailand ↑2	8	128
Brazil ↓7	6	-38
Singapore ↑1	6	81
Turkey ↑7	5	216

Sources: Datastream from Refinitiv; IMF *Jan-Nov annualised

► companies based in Singapore have grown markedly, too.

Access to Africa's natural resources remains critical. But economic relations are about much more than commodities. One-third of sub-Saharan countries can expect GDP growth of more than 5% this year, according to the IMF. The number of mobile-phone and data subscriptions will grow by almost 5% per year over the next five years, more than twice the global average, as nearly 300m Africans move online by 2025, according to GSMA, a trade association.

Food imports and exports are also growing. Gulf countries, which import 80-90% of their food, have recently struck agricultural deals with Mali, Mauritania, Morocco, Mozambique, Sudan and Tanzania. Other countries see Africa as a customer for excess capacity. China, which has run up huge stockpiles, sold more than 781,000 tonnes of rice to African countries in 2017, more than ten times the amount in 2016, with Ivory Coast overtaking South Korea as the biggest importer.

And African countries are increasingly home to foreign manufacturing firms. Chinese state-backed companies have helped set up "special economic zones" in Ethiopia, Nigeria and Rwanda as well as Djibouti. Olam International, a Singaporean company, operates a free-trade zone in Gabon; India is trying to open one in Mauritius. Turkey has a facility next to the Chinese one in Djibouti, part of a set of ambitious plans for the continent which include building railways in Tanzania, airport terminals in Ghana and much of the "futuristic" Diamniadio Lake City in Senegal. Turkish Airlines, which is 49% state-owned, flies to more than 50 African cities.

Others are thus positioned to take up some slack as China recalibrates its approach to the continent to make it less ex-

pensive. Rather than announcing a doubling or tripling of its financial pledges to African countries, as it had at previous FO-CACS, last year China offered a package less generous than the previous one. Part of this shift is because some Chinese deals in Africa have gone sour, angering Chinese investors. Sinosure, the state-owned insurer, had to write off \$1bn in losses on the railway from Djibouti to Ethiopia after fewer passengers turned up than expected. In September Mr Xi warned against state-backed investments which amount to "vanity projects".

China is also sensitive to accusations of "debt-trap diplomacy": using loans countries cannot pay back to extract other concessions from them. In Africa this charge is easily exaggerated. China is the primary creditor to just three African countries: Congo-Brazzaville, Djibouti and Zambia, according to the China Africa Research Initiative at Johns Hopkins University. On average, 32% of African external public debt is owed to private lenders and 35% to multilateral institutions such as the World Bank. China is the biggest bilateral lender, but its loans are just 20% of the total.

But criticism of some loans seems amply justified. In Kenya local journalists have been probing the terms of the \$3.2bn railway between Nairobi and Mombasa, with worries that Mombasa's port may be pledged as collateral. "Ultimately the debt problem is an African problem," says Anzette Were, a Kenyan economist. "But China is finally getting some pushback."

And the warm welcome of the locals

This may encourage the West to increase its economic efforts. In September the EU announced it would give €40bn in grants from 2021 to 2027, building on Germany's "Marshall Plan for Africa" launched in 2017.



In October last year America doubled the lending capacity of its Overseas Private Investment Corporation to \$60bn; it is also now allowed, for the first time in 50 years, to invest in equity as well as debt. "We would not have gotten that much money from them without China," says Ms Were.

"African leaders realise they have more choices than ever," says Carlos Lopes, a negotiator for the African Union. They are no longer bound to their coloniser or in one cold-war camp. They can weigh priorities and offers and, at least to some extent, play off suitors. Yet there are reasons to be wary.

The first is that African countries usually remain the weaker partner in military and economic agreements. In a rush to sign headline-grabbing deals African leaders often agree to onerous terms. Better-trained negotiating teams would help, says Ms Were; so would better language skills among African diplomats. On the structural front, there could be strength in unity. The African Continental Free Trade Area agreement, which needs ratification by just three more countries to enter into force, could be a big plus, giving the continent a single voice in some negotiations.

The second reason to be cautious about Africa's bounty of choices is that it may mean more options for corruption. What is a good deal for leaders is often a poor one for the led. Western diplomats praise Djibouti in private for the skill with which it has played countries off against one another to secure rent on military bases and infrastructure deals. How much this guile improved the lot of the citizenry, rather than the country's elites, is unclear.

Democracy and transparency are the antidotes to corruption. Recently in Kenya and Ghana, for example, local media, civil society and opposition parties have been able to scrutinise dodgy deals signed by their governments. Sadly, however, Russia and China do not care about African democracy. They may claim that their policy is not to interfere. But their propping up of autocrats—China's support for Denis Sassou Nguesso of Congo-Brazzaville, Russia's for Faustin-Archange Touadéra of the CAR—amounts to intervention of a particularly reactionary kind.

The West, too, has a long history of supporting its preferred "strongmen" on the continent. Since the cold war, though, it has by and large promoted liberal reforms, if haphazardly and with exceptions. America's apathy on matters African is one reason such initiatives have slowed of late, but re-engagement would not necessarily set things right. The new Africa "strategy" outlined by Mr Bolton in December made no mention of democracy.

That is short-sighted. For African countries need more than extra choices over whom they strike deals with. They need the power to choose their politicians, too. ■