Guns Versus Trade: U.S. and China Rivalry over Africa's Riches

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In my report on France's invasion of Mali published in the March issue of The Monitor, I wrote that, "According to U.K. journalist John Pilger, 'A full-scale invasion of Africa is under way. The United States is deploying troops in 35 African countries, beginning with Libya, Sudan, Algeria, and Niger. The invasion has almost nothing to do with 'Islamism,' and almost everything to do with the acquisition of resources, notably minerals, and an accelerating rivalry with China. Unlike China, the U.S. and its allies are prepared to use a degree of violence demonstrated in Iraq, Afghanistan, Pakistan, Yemen, and Palestine.

The U.S. African Command (AFRICOM) has built a network of compliant African regimes 'eager for American bribes and armaments.' In 2012, Africom staged Operation African Endeavour, with the armies of 34 African nations taking part, commanded by the U.S. military. As Middle East specialist Tony Cartulucci explains,

> 'It is no coincidence that, as the Libyan conflict was drawing to a conclusion, conflict erupted in northern Mali. It is part of a premeditated geopolitical reordering that began with toppling Libya, and since then using it as a springboard for invading other targeted nations, including Mali and Syria, with heavily armed, NATO-funded and aided terrorists.
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> "The economically weak imperialist Western alliance has now staked its future on an endlessly expanding world war for resources that entails its re-colonization of the Global South [especially Africa]. This is a level and scale of violence that could result in a nuclear confrontation with the main countries that this resource war is aimed at: China, India, and Russia."

According to Dr. J. Peter Pham, an advisor to the U.S. Defence and State Departments, a main objective of AFRICOM is:

> "protecting access to hydrocarbons and other strategic resources which Africa has in abundance — a task which includes ensuring against the vulnerability of those natural riches and ensuring that no other interested third parties, such as China, India, Japan, or Russia, obtain monopolies or preferential treatment."

Andrei Akulov, writing on the Global Research website, adds that:

> "It's an open secret that AFRICOM was created to counter the growing presence of China in Africa… Stiff competition for strategic resources like oil,

> gas, uranium, gold, or iron is the specific feature of the situation in Africa… The mission of AFRICOM is to push China and other rivals — like Russia, for instance — out of the continent or at least to cripple their access to the resources."

China's economic involvement in Africa has expanded enormously in the last decade. Beijing has focused on obtaining long-term agreements that guarantee it access to African resources in exchange for generous Chinese aid, credits, and soft loans for African countries, along with China's construction of roads, schools, housing, hospitals, and railways, among other infrastructure in Africa.

China imports half of its oil requirements (2.6 million barrels per day) and one-third of this comes from African countries. China's trade with Africa was worth $166.3 billion in 2011, with African exports to China increasing massively to $93.2 billion from $5.6 billion over the last 10 years. Beijing offered African countries $20 billion in loans in July 2012 for the 2012-2015 period, twice the amount it had given in the previous three years.

In 2008, China announced a $3 billion program in preferential loans and expanded aid for Africa, which was in addition to $3 billion in loans and $2 billion in export credits provided by Beijing earlier. According to Akulov, China's soft loans and credits are

> "greatly appreciated by African countries… Chinese aid [to Africa] is rendered with no strings attached and usually spent on infrastructure projects that raise grassroots living standards. The most frequently cited example is Sinopec, China's state oil company. It has acquired oil concessions in Angola and is rebuilding the country's transport infrastructure, hospitals, and state buildings. China is now viewed by most African countries as a more attractive economic partner than the U.S. or any other Western country."

It is not hard to outshine the West in Africa, given the horrifying record of Western nations there. As I have documented in my Monitor article "The Ravaging of Africa" (October 2002) and the radio documentary of the same title (2007), U.S. imperial strategy towards Africa has devastated the continent. The strategy has aimed at creating an unstable, war-wracked, poverty-stricken continent in order to ensure a stable and prosperous West.

The U.S. has concentrated on extracting the maximum amount of wealth from Africa at the lowest cost. This has been achieved through the perpetration of a virtual holocaust created by the fomentation of 14 wars and World Bank and International Monetary Fund (IMF) structural adjustment programs (SAPs) imposed on 36 countries. The wars have killed more than 8.5 million Africans and the SAPs have led to an estimated 21 million deaths by systematically demolishing African economies and their health and education services. This military and economic assault has exposed Africa to the looting of its resources by Western multinational corporations. The wars, SAPs, and corporate plunder have resulted in the transfer of hundreds of billions of dollars from Africa to North American and European nations.

Most African exports to the West take the form of raw materials, and the wars have helped keep their price artificially low since the armies need to sell these minerals for whatever money they can get in order to buy weapons. A considerable number of the weapons are also bought from Western arms manufacturers.

The SAPs imposed by the U.S.-dominated World Bank and IMF have transferred more than $229 billion in debt payments from sub-Saharan Africa to the West since 1980. This is four times the region's 1980 debt. Like the wars, SAPs also help keep raw material prices low by enforcing the expansion of such exports to the West. The value of primary African exports has fallen by about half since 1980.

This latest U.S.-imposed economic and military holocaust follows the 400 years of ravage and blight unleashed by the brutal slave trade carried out by Britain, Portugal, France, and the United States, as well as the century of ruthless Western colonialism in Africa, both of which helped build the U.S. and European economies at the expense of the lives of up to 500 million Africans.

This is the proper context to use when comparing the current activities of the West and China in Africa. Unlike the U.S. and European nations, China has inflicted no such horrors on Africa and has usually compensated African countries fairly for their raw materials. A particular case in point is the Democratic Republic of the Congo (DRC). The U.S. instigated the invasion of the DRC by Rwanda and Uganda in 1998 and the subsequent slaughter of more than six million Congolese, while the SAPs imposed on the DRC have impoverished the country. The Congo is the richest country in Africa in terms of mineral resources, and the invasion has opened these to looting by Western mining companies.

In contrast, China signed a deal with the government of the DRC in 2007 committing $20 billion for desperately needed infrastructure and development projects in exchange for access to Congo's resources. This is the biggest single Chinese investment in Africa.

The China-DRC agreement was reached between La Générale des Carrières des Mines (Gécamines), the DRC's state-owned mining company, and several Chinese state enterprises. These include China's Eximbank, the China Railway Engineering Company (CREC), and Sinohydro.

The agreement creates a mining joint-venture between Gécamines, CREC, and Sinohydro, to be called Socomin, in which the Chinese hold 68% of the shares and Gécamines 32%. Eximbank has invested $9 billion in Socomin including $3.25 billion in mining investment and $6 billion for infrastructural development.

The $9 billion is part of a $20 billion package of loans to be made available over 2011-2014. Of the $9 billion, a third will go to develop the DRC's mines. The remaining $6 billion is a soft loan (backed by the DRC's mineral deposits) to finance new roads, railways, 32 hospitals, 145 health centres, two universities, hydro-electric dams, airports, and vocational training centres. In return, China gets 10 million tonnes of copper and 400,000 tonnes of cobalt. As the BBC puts it,

> "It's a barter deal — what the Chinese side loves to call 'win-win'. Not aid with strings attached, like Western powers have given DR Congo over the years."

Adds Congolese journalist Antoine Riger Lokongo, writing on Pambazuka News, the most prominent website for African political affairs:

> "The Chinese deal is an 'infrastructure development resources-backed finance (IDRF)' deal, a kind of barter/trade which will not leave the DRC saddled with

> debts… How can you kick-start the development of the DRC after 15 years of a war of aggression without basic infrastructures? Clearly, this is where you start. China is ready to put a larger amount of money into the DRC than any other country… China will help the DRC break free from the stranglehold of neocolonialism."

So, summing up, to plunder the DRC's resources the U.S. arranged the killing of six million of its people and the impoverishment of the rest, whereas to gain access to the same resources China has offered the country $20 billion. There is no doubt that the Chinese role in Africa is an incredible improvement over 500 years of Western slavery, genocide, and plunder.

Not surprisingly, the World Bank and Western governments have opposed the China-DRC deal. As Albrecht Conze, the German Ambassador to Zimbabwe, explained:

> "It is like the West being the Congo's foster parents… The rising world power China could cause trouble, too – by providing billions of dollars in loans without imposing conditions or controls in return for access to the country's valuable natural resources. Beijing has already used this method in neighbouring Angola, where it now controls much of the oil production."

In Angola, the U.S. fomented a vicious 27-year long civil war (Africa's longest war) which ended in April 2002. The conflict killed 500,000 people and shattered the country. Three and a half million Angolans (a third of the population) were displaced by the war and up to 15 million land mines covered Angola's arable land, making agriculture hazardous. As a result, fertile Angola has had to import half its food requirements and 82% of Angolans lived in poverty. Like the Congo, Angola is rich in mineral wealth, being Africa's second largest oil producer.

As Indira Campos and Alex Vines, researchers at the conservative think-tank Chatham House based in London (U.K.), describe it:

> "Angola has enjoyed a period of sustained peace since April 2002. From having one of the most protracted conflicts in Africa, Angola has within five years become one of the most successful economies in sub-Saharan Africa. Fuelled by record-high international oil prices, Angola has experienced exceptionally high growth rates in recent years. Rapid post-conflict reconstruction has become the government's priority. China has in particular played an important role in assisting these efforts. Chinese financial and technical assistance has kick-started over 100 projects in the areas of energy, water, health, education, telecommunications, fisheries, and public works."

Since 2002, China has given Angola $15 billion in soft loans for hundreds of projects, leading to an "impressive resurgence of the country's economy and infrastructure" after 27 years of U.S.-instigated civil war. Angola is China's biggest trading partner in Africa and its largest source of foreign oil imports.

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