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Chinese engagement in African security — pragmatism and shifts under the surface

As China's economic expansion continues, its role in global international affairs has become more prominent. Not least so Chinese trade and investment in Africa will have implications regarding peace and security, both within Africa but also globally. The security implications of this relationship are broad, ranging from the political calculus of setting up businesses and securing assets, to the far broader picture of China's role in regional and global security architectures. These micro- and macro-processes are linked in significant ways, as frequently witnessed in commodities industries, where the investment and securitization of raw materials in fragile states have direct implications for larger concerns such as national and global energy strategies, regional and geo-political security. This brief analyses current trends and debates, and provides recommendations for a way forward.

China's "going out" policy of the late 1990s, was, by Euro-American standards of investment, marked by a conspicuous lack of attention to risk of which Africa was a crucial target. Instead, the global activities were originally very much driven by the need to directly seek resources needed for domestic growth in China. This appears to be slowly changing.

Not only was there originally an underestimation of costs but also a virtual dearth of concern about political risk. The growing engagement has frequently been packaged in a narrative of Africa as a continent of opportunities, a "last frontier" of global economic development. Estimates give limited amounts of return to Chinese enterprises with their African ventures; about 80 per cent of the investments are said to have not (yet) yielded economic benefits to Chinese companies. This has been compounded by the fact that many of the countries which China was engaging with were those which many established western firms had deemed too unstable to either invest, or continue investing in. Certainly, countries such as France and Britain, and their persistence of colonial ties often dove-tailing with current business ties made Chinese entrance into African markets all the more challenging.

The nature of the state: dealing with risks in Africa

Over the last few years, however, awareness about political risks for investment in Africa is on the increase in China. This growing awareness is not least due to crisis situations in political conflicts

in Sudan/South Sudan and in Libya, but also linked to kidnapping or killing of Chinese workers in Ethiopia, Nigeria or Sudan. This growing awareness of risk aversion at enterprise or personal level comes at a time of changing geopolitics and changing Chinese state engagement. Thus, attempts to mitigate risks are coupled with increasing obligations for China as a "responsible world power" to play a greater role in peace and security on the continent.

Security concerns in African states are often outsourced to private enterprises, which is an interesting variety to both European political philosophy and Chinese historical experiences. In Europe, security is traditionally based on the idea of the state's monopoly of power. Similarly in China, state power is historically strong, in which its leaders - from Qing emperors to the Communist Party - have frequently outlawed any organization which might pose a threat to the monopoly on violence. While within the international system, African polities are treated as if they are equally capable of governing their states in a similar fashion, in reality, this is often not the case. In Africa, the constructed nature of post-colonial statehood, often multi-ethnic in nature, coupled with weak institutional capacity, complicates the transferability of European and Chinese methods to Africa.

Beyond the big-picture question of state functioning in Africa, three major debates need to be explored in China: one is on the analysis of risks and their possible mitigation through



Diagram 1: Map of Sudan's oil region



Source: PBS NewsHour, <http://www.pbs.org/newshour/rundown/2012/02/sudan-oil.html>

preparation. Secondly, an immediate concern is securing Chinese assets and staff in their African endeavours. And thirdly, the question of modes of engagements and policy-rationale touch upon the foreign policy debates. This is related to the terms of engagement with regional and continental security institutions on the African continent.

The shifts in Chinese risk analysis and risk mitigation

The shifting nature of China's attitude toward risk in Africa is highlighted in its Sudanese engagements. China National Petroleum Corporation (CNPC) ventured into Sudan in 1995, in conjunction with Indian and Malaysian companies. The oil reserves, located on the political fault line of what was to later become the border with South Sudan, required stringent protection from SPLA (Sudan's People's Liberation Army) attacks. Security was put in the hands of the Khartoum government, who effectively armed local militias to clear oil related areas, leading to forced removals, kidnapping, rape and murder. In accordance with China's "non-interference" policy, the Chinese partners were of the view that security issues were in the hands of the government, thus absolving them of responsibility of abuses carried out. Yet, precisely this attitude led to an association with the al Bashir regime, making Chinese workers and facilities targets of a number of attacks.

There has been a notable shift in Chinese attitudes recent years. Courting South Sudan has forced China to confront the fact that the earlier use of force directly affected the communities in the South with which they now strive to do business. CNPC's has

introduced corporate social responsibility (CSR) schemes; include the drilling of wells, the construction of schools and hospitals.

While such aid packages were given during China's engagement with the Bashir regime, much of this investment was delivered to regions in the north which benefited the al Bashir constituency, while today such engagements are more intimately bound up with the communities where the oil is being extracted.

Chinese companies in South Sudan still have a tendency of "outsourcing" local community engagement to local government instead of face to face liaising with the communities themselves. Nevertheless, in recent years there has been, comparatively speaking, a distinct shift toward engaging more with local communities and a better understanding of how this directly mitigates not only financial and personal risk, but reputation risk too. In 2011, the Libyan war and the subsequent evacuation of over 36 000

Chinese citizens from the country, served as a vital next step in China's awareness of risk in Africa (see Box 1) .

Box 1: Protecting Chinese citizens: Libya 2011 as a watershed moment

High-risk episodes on the African continent have contributed toward a more risk-conscious China. A turning-point in this regard was the evacuation of 35 860 Chinese employees from Libya during the 2011 Civil War. President at the time, Hu Jintao, issued the unusual statement that he had ordered government workers "to spare no efforts to ensure the safety of life and properties of Chinese citizens in Libya." Such measures send a strong signal by Beijing that it will not tolerate Chinese citizens being harmed abroad. Such a reaction is, in part, geared toward domestic politics insofar as China's "going abroad" strategy has given rise to concerns amongst the population that the state has been, at times, either indifferent or impotent in the wake of attacks on nationals abroad.

The event also illustrates the unique way in which Chinese companies and various ministries of state are able to co-ordinate with each other in times of crises. The evacuation was a vast, interconnected effort involving the People's Liberation Army Navy (PLAN); the Ministries of Foreign Affairs, Commerce and Public Security; the Civil Aviation Administration and various consular officials. PLAN dispatched one of its most modern warships to waters near Libya in order to facilitate the evacuation. China drew on its consulates in Malta and Greece, as well as using airbases in the Sudan in order to evacuate citizens. Chinese companies such as CNPC, China Rail Construction and COSCO helped evacuate citizens. These companies, all of which are SOEs, helped facilitate swift communication and action between employees and various state organs. This is in large part due to the unique nature of Chinese SOE's which largely function like private companies but still continue to have strong links with the state.

Diagram 2: Evacuation of Chinese nationals out of Libya to secondary countries by air, land and sea



Source: Own illustration

Securing assets abroad: enter private security business?

For asset security, private companies are an established business in many African countries. Chinese companies are also increasingly interested in the business activities of the security sector in Africa, for instance, providing personal security guards or system solutions to Chinese enterprises.

In China, security companies are subsidiaries of the local Chinese police force. The prospect of outsourcing security to private companies of Chinese origin comes with additional challenges for the Chinese state. While the Chinese government legally permits such ventures, the Ministry of Foreign Affairs is weary to promote such activity primarily because it may impact upon China’s struggle against negative publicity on the continent (as in the case scenario of Chinese guards firing on Africans). Despite such reticence, there have equally been calls by government officials for an increase in such services (see box 2). In any case, local laws would need to be carefully studied and adhered to by the security enterprises in order to avoid diplomatic quarrel in core questions of state sovereignty

Regional security and the need for enhanced action

Chinese activities in support of African peace initiatives to date seem to be rather ad hoc. In support for the African Peace and

Security Architecture, hard infrastructure is supported, such as the AU headquarters building in Addis Ababa. Yet, there is still little engagement on “soft infrastructure”, not least so in investing in human resources in Africa. Positively speaking, the policy responses are highly pragmatic. More critically spoken, activities are not presented in a comprehensive framework.

Chinese economic investment in Africa has been accompanied by an increasing role as arbitrator in regional African affairs, as witnessed in the Sudan, Liberia, and more recently, Mali. These changes happened under an officially unchanged doctrine of “non-interference”, in other words, a rather orthodox Westphalian understanding of state sovereignty and what constitutes “internal affairs” of a state. One core condition for Chinese engagement is a UN mandate for actions – which China herself can somewhat control, as it is a veto power in the UN Security Council.

Yet, also with regard to military engagement, shifts are noticeable. China provides the biggest number of blue-helmets among the permanent member of the UN Security Council and has a number of training centres for UN missions of its soldiers in China herself. In 2013, China deployed its first combat troops, under the auspices of a UN peacekeeping mission, in Mali.

Box 2: Chinese Private Security Companies

While at present the role of Chinese private security companies (PSC) within Africa is minimal, although that looks set to change. A former head of National Committee of the Chinese People's Political Consultative Conference, recently called for the establishment of a Chinese version of Blackwater – the American security company outsourced by the US government in its adventures in Iraq and Afghanistan. Growing Chinese investment in risk-prone African countries, coupled with high profile incidents of the kidnapping and murder of Chinese company staff in the Sudan, Egypt, Nigeria, Chad and Ethiopia, add credence to the need for Chinese protection services. At present, the vast majority of Chinese companies either use local and international private security firms or, in the case of the oil industry, the use of military protection offered by the host country.

China has witnessed a rapid rise of security firms within its own borders. At present there are over 4000 security companies operating in China, employing 4.3 million people and worth over 40 Billion Yuan (although it reckoned that both these figures could be doubled). In 2009 the Chinese government announced a new security regulation which allowed the opening of the market to both domestic and foreign investors. Since 2010, an estimated 1000 security licenses have been issued to private security companies not belonging to the Public Security Bureau. The market is thus ripe for outward expansion.

One niche within which Chinese PSC may situate themselves is the competitive advantage offered by issues of mutual communication and trust between Chinese PSC and Chinese corporations. Another advantage is that the cost of Chinese guards is, at least in comparison to the price for a guard from an international firm, relatively cheap. It is realistic to assume that Chinese PSCs will most likely partner with other local or international security firms already operating in Africa and offer their services exclusively to Chinese clientele. A number of Chinese PSCs have already expressed interest in these kinds of ventures.

Conclusions

The engagement in African security has become a necessity for the Chinese state if it does not want to leave the field to haphazard activities of enterprises. Any crisis in the area of personal security or securing investment will ultimately raise questions about state sovereignty and abilities to project power if needed.

China is starting to invest in a more far-sighted form of securitizing assets and personnel insofar as it seeks to create a more sustained stability within the region, including via means of corporate engagement. Such shifts are part of a far broader commitment at the level of the Chinese state. However, there is little debate thus far on China's need to become a "responsible world power" and all that this notion might imply.

The engagement with and strengthening of regional and national

institutions is a crucial pre-condition for peace and security in the African context. States in Africa often are weaker than Chinese observers seem to assume. Long-term security in Africa will only be possible with legitimate and responsive administrative structures. Engaging with these institutions will be a challenge for China, but neutrality is rarely credible from investors in conflict situations. African actors themselves will demand a more pro-active – and peaceful – engagement with African structures.

Recommendations

A fully hands-off policy is no longer possible, as, at the very least, occurring crises will have to be managed. The term "non-interference" is thus misleading as a foreign policy doctrine.

Crisis situations need to be somewhat prepared for, so that responses follow a longer-term political rationale and happen within a clear chain of command between different parts of the administration. Political guidelines for these crises abroad would need to include and clarify the role of enterprises and the function (and limitations) of private security actors.

A policy paper would be helpful on how China interprets the political space around African security and how it wishes to contribute to fostering peace and security on the continent. A comprehensive overview is an effort in itself, as it provides for an occasion for co-ordination amongst different administrative units. Ideally, however, such a paper provides policy rationales from which ways forward can be elaborated with regard to future challenges. This should also be considered as instrumental in gradually shifting away from the politically unsustainable notion of non-interference.

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