

Angola and China: building friendship through infrastructure

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A return to normalcy. For most people in the West, this trouble-free expression carries little significance. To Angolans, it points to the overwhelming task of national reconstruction, a gigantic challenge Angola has been facing with general success. After decades of civil war, the country was taken back to medieval times, left devoid of transportation infrastructures, communication systems, health and education services and with the daily functioning of overall state services severely damaged. Unsurprisingly, Angola became hungry for loans big enough to jumpstart its national reconstruction project. After turning to international financial institutions, especially the International Monetary Fund (IMF), the Angolan executive was confronted with several preconditions to be able to apply for funding, mainly the organization's insistence on increased transparency and stabilisation, conditions the Angolan economy was far from being able to guarantee. In the eyes of western countries, facilitating loans to Angola was simply too risky, until a new power rose to the challenge.

On the occasion of the Chinese Prime Minister's visit to Angola in 2006, President José Eduardo dos Santos managed to encapsulate in a single statement the overall nature of the relationship between Angola and China, having said that "China needs natural resources and Angola wants development". As simple as it is, China, by

disregarding the commercial risk of providing loans to Angola, was able to offer the much needed funding below market-price interest rates, in exchange for privileged access to Angola's extensive oil reserves. Since China's disastrous intervention in the Angolan civil war, the two countries took time to establish official diplomatic channels, which only materialised in 1983, China having taken an interest in Angola in 2004, two years after the end of the civil conflict. Yet, while realists argue China's involvement in Angola is a 'bad marriage', since China is only interested in satisfying its hunger for natural resources, there is another side to this relationship that is often disregarded by these sceptics.

Although the agreement between the Chinese Exim Bank (the sole agency for the provision of Chinese government loans) and Angola states that the public tenders, for the construction and civil engineering contracts tabled for Angola's reconstruction will be awarded primarily (70%) to Chinese companies approved by Beijing and the remaining (30%) to the Angolan private sector,¹ it is true that most Angolan private companies are not capable of absorbing such large investments. Indeed, there are fears that this massive infrastructural spending will

¹ Lucy Corkin, "Uneasy allies: China's evolving relations with Angola" (*Journal of Contemporary African Studies*, Vol. 29, No. 2, April 2011), pp. 169-180.



be misdirected if not upheld by training programs and capacity building to absorb such investments.² Furthermore, the loans facilitated by the Chinese government are managed by the Angolan Ministry of Finance and used specifically to assist in the national reconstruction project, through the 70% Chinese – 30% Angolan attribution to national companies.

Even if they are considered as one sided, as Angolans are not fully engaged in the national reconstruction project, these investments have borne much fruit. In the first phase of financing, a staggering US\$423 million where attributed to health and education services, in severe contrast with the US\$243 million invested in the energy and water sectors, where China's interests lie. These numbers alone point to the immense benefits Angolans in general are experiencing from dealing directly with China, thus bypassing international conditions for funding and challenging the realists' view of Angola turning into a client state. Furthermore, on the political front Angola is far from becoming subordinated to China. While still being able to capture loans and foreign direct investment (FDI) from other countries – a possibility opened by China's successful investments in the country – Angola feels comfortable in cooperating politically with China, without fears of association or even subordination. On May 23rd, President José Eduardo dos Santos received President of the Permanent Committee of the National Popular Assembly of the Popular Republic of China Wu Bangguo, a meeting indicating that a reassessment of the cooperation between the two countries had taken place. On the same day, President of the Angolan National Assembly Paulo Kassoma said that the ambiguous position of many international donors made Angola look for new options, by connecting

its economy to China's. Paulo Kassoma considered strategic not only the relationship between Angola and China but also the exchange of experiences concerning the parliamentary dominion, stating that the overall participation of China in the national reconstruction project is bringing comfort and happiness to the Angolan people.³

It is clear that despite much criticism, China's reach in Angola has largely favoured the general population and the government. At a time when the international financial institutions were reluctant to provide Angola with the necessary funding, the Chinese system made use of its natural pragmatism to craft profitable deals and secure access to oil reserves. Politically and culturally there appears to be no credible evidence to conclude that China's grip on Angolan political and cultural life is even active, as the Angolan elite is too weary of any attempts to control its country or turn it into a client state. In the end, perhaps it is not a marriage, but a very fruitful friendship indeed.

Confronted with parliamentary cooperation, critics of the Angolan regime might assume Angola is attempting to mimic the verticality and centrality of the Chinese government and its Communist Party. Yet, such notions should be dispelled. Francis Fukuyama argues that even the Chinese do not believe other countries could duplicate the complexities of their system, which is why they don't pressure other countries to adopt it.⁴ Indeed, any potential attempt by the Angolan government to copy the existing political system in China would be nothing but an utter failure.

Finally, on the cultural side, China's grip on Angola is non-existent. Since after its independence Angola adopted the Portuguese bureaucratic system, it is much easier for Portuguese and Brazilian investors to have facilitated access to government dealings, mainly for linguistic and cultural reasons. The language barrier itself is brutally limiting of relations between Angolans and Chinese, stunting the hopes of many Chinese citizens of flourishing in the Angolan private sector. Furthermore, although Chi-

nese immigration has surpassed the Portuguese, most "are low-skilled migrant workers who enter the country under the ambit of the Chinese credit line. They live in closed compounds often at the site of the actual con-

2 Ibid.

3 Adelina Inácio, "Wu Bangguo visita Angola a convite de Paulo Kassoma" (*Jornal de Angola*, 23 May 2011).

4 Stephen Moss, "Francis Fukuyama: 'Americans are not very good at nation-building'" (*Guardian*, 23 May 2011).



struction. (...) There have been few reports of serious social problems, as these workers barely have any contact with local Angolans and language remains a serious challenge”.⁵

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