Trade and Industrial Policy in Africa: the Impact of China's Growing Influence in the Region

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Abstract

In recent years, China-Africa trade and economic relationship, fueled by China's economic demand for oil and raw materials, has been on the increase. This has raised several questions which include: (a) what is the emerging pattern of trade and investments in China-Africa trade relations? (b) Are there any structural differences between the relationship of African countries with the Western Nations and the emerging relationship with China? (c) How will this emerging China-Africa relationship impact on the trade and industrial policies of African countries? (d) What are the implications of this emerging relationship for Africa's industrial development? This paper argues that while the growing trade and economic relationship with China is welcome, there is need for African countries to develop clearly defined industrialization programmes which will aid technology transfer and help African economies move up the value chain in their production and industrialization bid. This is the only way that African countries can avoid replacing western economic colonialism with Chinese economic colonialism. Any expectation that African countries will develop simply based on the benevolence of China is nothing but a myth.

Introduction

Modern China-Africa relations started in the 1950s, after the Chinese revolution. This was when China began to reach out to other developing nations in its quest for international political recognition. Specifically, China was primarily interested in shoring up international support to enable it challenge Taiwan's China credentials in the United Nations. Its secondary interest was to compete with the Soviet Union and Western interests in the region (Looy, 2006, p.1). By 1971, China had successfully replaced Taiwan in the United Nations Security Council.[1] Despite this, the China-Taiwan rivalry continued and this helped sustain China's interest in Africa.

[1] In the past, China has duly acknowledged the help of African countries in making it possible for it to regain its seat in the United Nations. Of the 76 affirmative votes it received, 26 came from Africa. According to Chairman Mao Zedong: " [w]e were brought back into the United Nations by our Black African friends" (Quoted in Anshan, 2007, p.78).

Given the origins of its interest in Africa, aid became the major weapon for China in cultivating the friendship of African States, some of which displayed no principles in their stand on the China-Taiwan issue.[2] In the light of the above, it is not surprising that trade and industrial development was given little prominence in the strategy of China in Africa. Rather China's aid to the continent included the construction of projects like presidential palaces, prestige hospitals, government offices and stadiums (Niquet, 2006; Thompson, 2005). Chinese interest in Africa however waned in the 1980s partly because the Taiwan question became less important. Also it became clear to China that it could not compete with Western aid programmes (Lyman, 2005).

Things however began to change with the post-Maoist economic restructuring in China and the consequent economic boom. This led to enormous increase in China's demand for oil and other natural resources. Along these lines, it has been asserted that:

> China's booming economy which has averaged 9 percent growth per year for the last two decades requires massive levels of natural resources to sustain its growth. Once the largest oil exporter in Asia, China became a net importer of oil in 1993. By 2045, China is projected to depend on imported oil for 45 percent of its energy needs. The country needs to lock in supplies from relatively low cost African or Middle Eastern sources…. But after the terrorist attacks of September 11, 2001, and the subsequent upheaval throughout the Middle East, China is actively trying to diversify its supply lines away from Middle Eastern crude (Pan, 2007).[3]

In order to protect its oil interests and make it sustainable, China has for some time now been trying to develop a robust and sustainable framework that will guide its engagement in Africa. In the year 2000, for example, the first large scale conference on China-Africa trade, attended by representatives from over 40 African countries, was held in Beijing.[4]

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[2] "The foreign policies of African countries have for a long time been driven by the search for aid and substantial financial contributions have often determined the choice made by African Governments in this respect. However, relations can easily change. For example, Liberia, Senegal and the Central African Republic have switched allegiances at least five times in the past. Currently, there are only six countries that have diplomatic ties with Taiwan: Burkina Faso, Chad, Gambia, Malawi, Sao Tome and Principe and Swaziland" (Looy, 2006, p.3). See also, Sautman (Undated, p.1).

[3] See also Rocha (2007, p.17 and Servant (2005).

[4] See: www.china.org/english/features/China-Africa/82047.htm (5April 2006).

This strategy has no doubt yielded some positive results. Between 2001 and 2006 for instance, Africa's exports to and imports from China rose on the average by more than 40 percent and 35 percent respectively. This was significantly more than the 14 percent growth rate for world trade and the 18 percent growth rate for commodity prices during the same period. By 2005, China Africa trade had reached $39 billion. The result is that China is now Africa's third largest trading partner after the United States and the European Union (Wang and Bio-Tchane, 2008; Marks, 2007, p.2).

The need to further fine-tune this growing relationship culminated in the release of an official China-African Policy, aimed at improving China-Africa relations, in January 2006. In November 2006, Heads of State and dignitaries from 48 African countries attended an impressive and colorful Forum on China and Africa Cooperation (FOCAC) in Beijing. During the Summit, China pledged to, among other things: double its 2006 assistance to Africa by 2009; provide US$3 billion of preferential loans and US$2 billion of preferential buyers credit to Africa by 2009; set up a China-Africa development fund which would reach US$5 billion to encourage Chinese companies to invest in Africa and provide support to them; cancel all interest free Government loans that matured by the end of 2005, owed by the heavily indebted poor countries and the least developed countries in Africa that have diplomatic relations with China, and; increase from 190 to over 440, the number of export items to China receiving zero tariff treatment from the least developed countries in Africa with diplomatic ties with China (Marks, 2007, p.2; Gill, et al, 2007, p.6).

The growing interests and investments of China in Africa have raised several questions which include: (a) what is the emerging pattern of trade and investments in China-Africa trade relations? (b) Are there any structural differences between the relationship of African countries with the Western Nations and the emerging relationship with China? (c) How will this emerging China-Africa relationship impact on the trade and industrial policies of African countries? (d) What are the implications of this emerging relationship for Africa's industrial development? The essence of this paper is to address the above issues with a view of developing a strategy that will help Africa's trade and industrial development benefit from this emerging relationship. To achieve its objectives, the remaining part of this paper is divided into three. Part One explores the emerging pattern of China Africa relationship with particular reference to trade and its implications for African development while Part Two investigates the implications of this fledging relationship for African industrial development and policy. Part Three concludes the paper.

Emerging Pattern of China African Trade

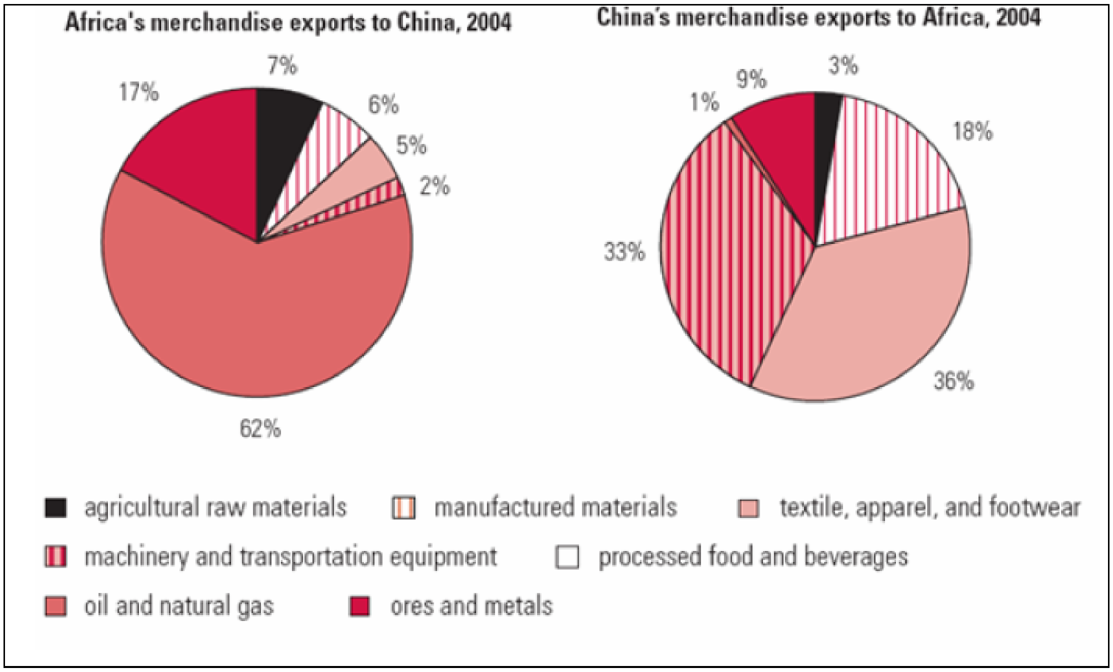
As already mentioned it is important to appreciate the fact that the current interest of China in the African continent is in the main driven by its oil and raw material needs.[5] With an economy growing at an average of 10 percent in the last decade (Marks, 2007, p.4), China in 2003, overtook Japan to become second, only to the United States of America in its consumption of oil (BBC News, 2006). The burgeoning manufacturing sector in China has also created enormous demand for Aluminum, Copper, Nickel, and Iron Ore (Pan, 2007). Based on the above, it is not surprising that oil and natural gas has been the main driver of China Africa trade currently accounting for more than 60 percent of Africa's total export to the region. It is also remarkable to note that raw materials and natural resources constitute the majority of the balance of the African exports to China. In the year 2004 for instance, ores and metals constituted 17 percent of Africa's total exports to China while agricultural raw materials constituted 6 percent.

With respect to Chinese exports to Africa, textiles apparels and footwear constituted 36 percent of Chinese exports to the continent while manufactured materials constituted 18

[5] A broader view of Chinese interest in Africa has been provided by Taylor. According to him: "Beijing's economic interest in Africa is based on three factors. First, Beijing assets that the macroeconomic situation in Africa is taking a favorable turn. This analysis is based on the belief that African countries have adopted a set of active measures to push forward the pace of privatization, open to international trade, and reform their economies. China believes this affords great opportunities to Chinese companies. Second, Chinese manufacturers and shopkeepers believe that the types of goods they produce and sell have immense potential in Africa. They believe that the economy in Africa is not yet as developed as in Western nations and consumers are perceived to be more receptive to the type of inexpensive products that China typically produces. Third, the Chinese government and business look to secure access to Africa's abundant natural resources, particularly crude oil, non ferrous metals and fisheries" (2005, p.4).

percent. Also, machinery and transportation equipment constituted 33 percent of Chinese exports to the Continent (Chart 1).

Chart 1. Composition of Exports to and from China



Source: Chen, 2007, p. 8.

At the level of individual countries, it is pertinent to note that China imports 99 percent of its African oil from 5 countries namely: Angola (50%), Sudan (19%), Congo (16%), Equatorial Guinea (10%) and Nigeria (4%) (Chart 2).

Chart 2

Share of Chinese Crude Oil Imports from Africa, by Country of Origin

Source: Broadman, 2007, p.77.

Trade in the oil sector also brings out clearly the inability of Africa thus far to add value to its natural resources before export. In 2005 for instance, China imported $13.2 billion and $47.7 billion of crude petroleum from Africa and the rest of the world respectively. In the same year, it also imported $15 billion of petroleum products from the rest of the world. Only $0.1 billion of petroleum products was imported from Africa (table 1)

Table 1

Chinese Oil Imports ($ billions)

	2000	2001	2002	2003	2004	2005
	Crude Petroleum					
Africa	3.6	2.5	3.0	4.9	9.3	13.2
ROW	14.9	11.7	12.8	19.8	33.9	47.7
	Petroleum products					
Africa	0.0	0.0	0.0	0.1	0.0	0.1
ROW	5.7	5.8	6.3	9.1	13.4	15.0

Source: Broadman, 2007, p.77

With respect to non oil African commodities being exported to China, primary products also dominated.[6] Between 2002 and 2004, for instance, Gabon was Africa's largest supplier of saw logs and veneer logs to China (41 percent) while South Africa dominated the supply of iron ore (94 percent), Diamonds (99 percent), Platinum (100 percent and Aluminum (99 percent). Cameroon was also Africa's major supplier of non coniferous wood accounting for 46 percent of the continent's export to China while Zambia dominated the African base metal (62 percent) and copper (46 percent) exports to China (table 2).

Table 2: Africa's Top 20 Exports to China: Products and Leading Exporters (2002-2004 Average)

	SITC Code: Name	*Share in Total African Exports to China (US$9,171 million)*	*Exporting Country / Share in Total Export Value of the Product from Africa to China*				
1	3330: Crude oil	62.20%	Angola 46.80%	Sudan 24.66%	R. Congo 13.00%	Eq. Guinea 9.17%	Nigeria 3.07%
2	2472: Sawlogs and veneer logs	4.91%	Gabon 41.17%	R. Congo 17.84%	Eq. Guinea 16.31%	Cameroon 8.17%	Liberia 7.21%
3	2815: Iron ore and concentrates	4.59%	S. Africa 94.03%	Mauritania 3.54%	Liberia 1.31%	Mozambique 1.12%	
4	6672: Diamonds	3.33%	S. Africa 99.27%				
5	2631: Cotton (other than linters)	3.28%	Benin 21.54%	Burkina F. 17.26%	Mali 15.14%	C. d'Ivore 13.70%	Cameroon 8.14%
6	2879: Ores & concentrat.of other non-ferrous base metals	1.75%	S. Africa 30.95%	R. Congo 26.73%	D.R. Congo 26.52%	Rwanda 5.90%	Nigeria 4.10%
7	1212: Tobacco	1.51%	Zimbabwe 99.56%				
8	6727: Iron or steel coils	1.38%	S. Africa 100.00%				
9	6812: Platinum	1.34%	S. Africa 100.00%				
10	2877: Manganese ores and concentrates	1.31%	Gabon 46.53%	Ghana 25.87%	S. Africa 25.61%	C. d'Ivore 1.99%	
11	6821: Copper and copper alloys	1.26%	Zambia 48.36%	S. Africa 29.24%	Namibia 20.41%	R. Congo 1.27%	
12	6746: Sheets & plates, rolled	0.83%	S. Africa 100.00%				
13	6841: Aluminium and aluminium alloys	0.46%	S. Africa 99.80%				
14	5121: Acyclic alcohols	0.41%	S. Africa 100.00%				
15	3413: Petroleum gases	0.41%	Nigeria 76.12%	Sudan 23.32%			
16	6716: Ferro-alloys	0.38%	S. Africa 99.99%				
17	2871: Copper ores & concentrates	0.37%	S. Africa 40.67%	Tanzania 39.74%	R. Congo 13.47%	D.R. Congo 5.42%	
18	6899: Base metals,n.e.s.	0.36%	Zambia 62.88%	S. Africa 26.08%	R. Congo 5.79%	Uganda 3.39%	D.R. Congo 1.86%
19	6842: Aluminium and aluminium alloys	0.25%	S. Africa 100.00%				
20	2483: Wood of non-coniferous species	0.24%	Cameroon 45.58%	Gabon 23.20%	R. Congo 11.92%	S. Africa 7.40%	Ghana 3.09%

Source: Broadman (2007, p.109).

[6] This is not surprising especially given the fact that primary products dominate the export tables of most African countries (See Appendix 1).

On the other hand, China's exports to African countries were dominated by manufactured goods, textiles and foot wears. 68 percent of total motorcycles imports in Nigeria and 41 percent of total footwear imports in South Africa came from China. Also, 77 percent of rice imports in Ivory Coast and 95 percent of Sudanese iron and steel imports also came from China. Majority of electric motors and generators imported in Nigeria and the majority of television, trousers and knitted clothing imported in South Africa also came from China (table 3).

Table 3

Top 20 Imports from China (2002-2004 Average) — Importers in Africa >>>

China to Africa

	SITC Code: Name	Share in Total African Imports from China (US$7,407 million)	Exporting Country / Share in Total Import Value of the Product from China to Africa				
1	6522: Cotton fabrics,woven	8.45%	Benin 29.73%	Togo 10.67%	Gambia 8.21%	S. Africa 7.52%	Kenya 7.51%
2	8510: Footwear	5.34%	S. Africa 41.11%	Nigeria 13.47%	Ghana 6.95%	Benin 4.82%	Togo 3.55%
3	7851: Motorcycles	4.10%	Nigeria 68.48%	Togo 9.71%	Mali 4.38%	Cameroon 3.67%	Guinea 2.38%
4	7781: Batteries and accumulators	3.08%	Benin 27.88%	Nigeria 10.50%	Togo 7.76%	Ghana 7.12%	Kenya 6.97%
5	6531: Fabrics,woven of continuous synth.textil.materials	2.94%	S. Africa 23.38%	Nigeria 22.71%	Togo 16.23%	Benin 7.53%	Ethiopia 6.67%
6	6534: Fabrics,woven,of discontinuous synthetic fibres	2.46%	Benin 18.80%	S. Africa 13.30%	Togo 10.99%	Nigeria 10.00%	C. d'Ivore 6.54%
7	0422: Rice	1.64%	C. d'Ivore 77.16%	Liberia 6.63%	Tanzania 4.10%	Nigeria 3.31%	Ghana 2.22%
8	8310: Travel goods,handbags,brief-cases,purses	1.48%	S. Africa 31.46%	Nigeria 25.14%	Ghana 8.60%	Kenya 6.34%	Tanzania 3.63%
9	6560: Tulle,lace,embroidery,ribbons,& other small wares	1.32%	Nigeria 45.70%	Benin 22.66%	Togo 14.50%	S. Africa 5.50%	Gambia 3.60%
10	8459: Outer garments & clothing,knitted	1.32%	S. Africa 58.72%	Nigeria 6.59%	Sudan 5.20%	Ethiopia 5.16%	Madagascar 4.83%
11	7641: Elect.line telephonic & telegraphic apparatus	1.24%	Nigeria 19.35%	Zambia 15.18%	Ethiopia 13.82%	Angola 10.54%	S. Africa 8.38%
12	7643: Radiotelegraphic & radiotelephonic transmitters	1.09%	Nigeria 32.01%	S. Africa 30.13%	Ghana 10.87%	Uganda 3.94%	Angola 3.82%
13	6783: Tubes and pipes,of iron or steel	1.08%	Sudan 94.70%	Nigeria 1.83%	S. Africa 1.17%		
14	7162: Elect.motors & generators	1.08%	Nigeria 61.71%	S. Africa 9.50%	Sudan 8.16%	Angola 6.27%	Benin 2.60%
15	6974: Art.commonly used for dom.purposes	1.07%	Benin 30.72%	Nigeria 13.61%	S. Africa 8.62%	Ghana 7.29%	C. d'Ivore 6.98%
16	7611: Television receivers,colour	1.07%	S. Africa 54.53%	Lesotho 14.03%	Nigeria 11.39%	Sudan 3.38%	Madagascar 2.31%
17	8423: Trousers	1.02%	S. Africa 51.35%	Nigeria 15.11%	Benin 9.53%	Tanzania 8.17%	Uganda 5.95%
18	8939: Miscellaneous art.of materials of plastics	1.00%	S. Africa 23.96%	Nigeria 23.74%	Benin 7.63%	Ghana 6.85%	Kenya 5.16%
19	8124: Lighting fixtures and fittings	1.00%	Nigeria 39.12%	S. Africa 21.11%	Ghana 6.63%	Benin 5.63%	Kenya 5.39%
20	6991: Locksmiths wares,safes,strong rooms of base metal	0.98%	Nigeria 32.00%	S. Africa 19.18%	Benin 7.38%	Ghana 7.08%	Kenya 5.79%

Source: Broadman (2007, p.111).

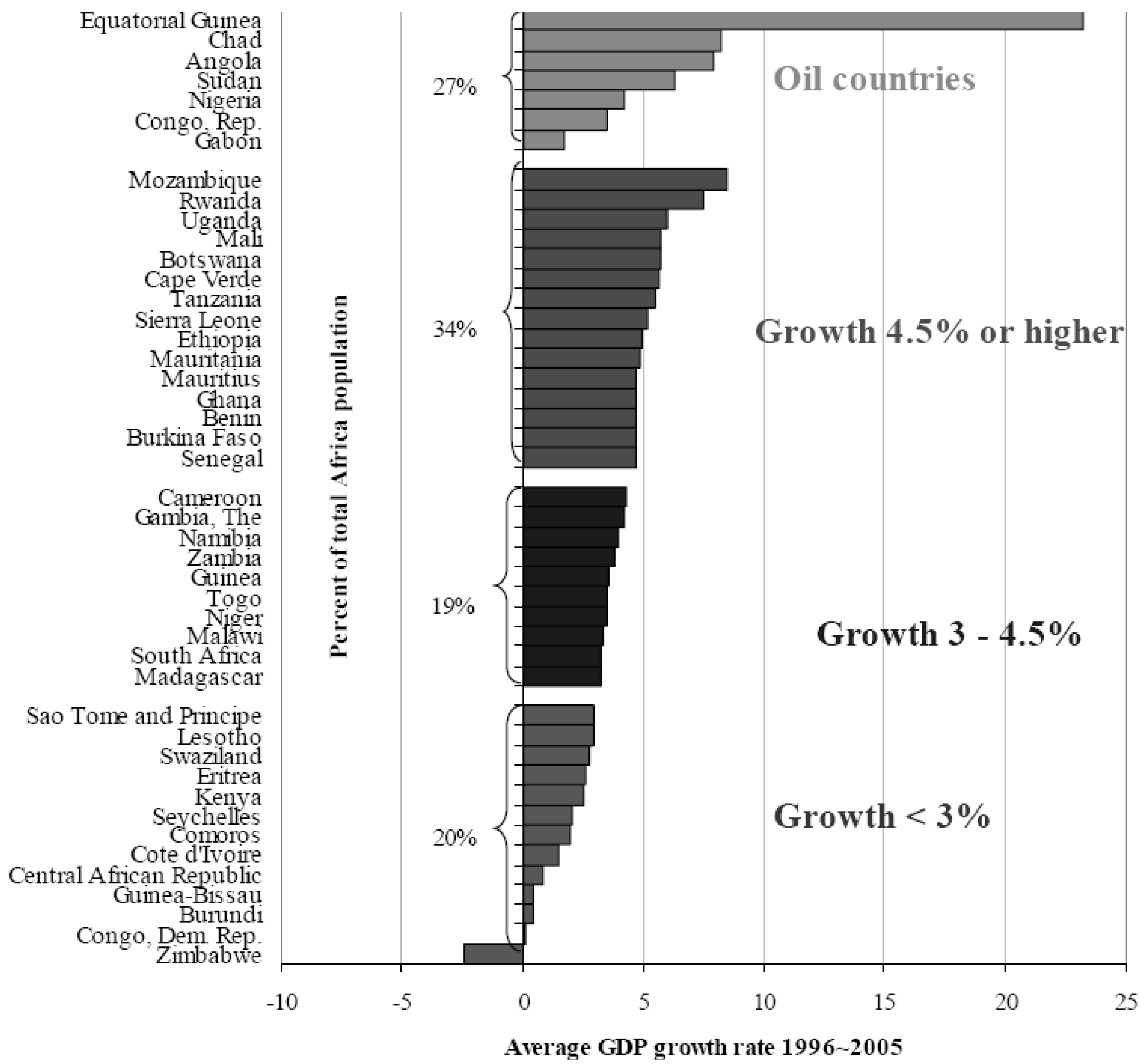
At another level, increased demand for Africa's natural resources have led to improved prices for such natural resources which has helped engender economic growth and development in the majority of the African countries (table 4). Between 1996 and 2005, for instance, 13 African countries recorded average GDP growth rate of 5 percent or more. These countries included oil rich countries like Equatorial Guinea (23%), Chad (8%) and Angola (8%). Some non oil producing African countries also recorded such impressive growth rates. They include: Mozambique (8%), Rwanda (7%), Uganda (6%) and Mali (5.5%) (Chart 3). In the majority of cases, improved revenue from primary products has helped ensure such impressive economic growth. Along these lines, it has been asserted that China's:

> economy has grown by an average of 9% per year over the past ten years, and foreign trade has increased fivefold. It needs stuff of all sorts- minerals, farm products timber and oil.. China alone was responsible for 40% of the global increase in oil demand between 2000 and 2004. The resulting commodity prices have been good for most of Africa. Higher prices combined with higher production have helped local economies. Sub Saharan Africa's real GDP increased by an average of 4.4% in 2001-04, compared with 2.6% in the previous three years. Africa's economy grew by 5.5 % in 2005 and is expected to do even better this year and next (Marks, 2007, p.5).

In other words, Chinese hunger for oil and raw materials has been a major driving force behind the high prices for primary products and its attendant positive impact on the African economies.[7] Despite the above, Africa's share of China's trade in absolute terms is still very small representing only 3 percent of such trade in 2005. This however correlates with the Africa's share of world trade which hovers around 2 percent (Niquet, 2006). The current position is however very encouraging especially when one considers the fact that China Africa trade was virtually non existent in 1990 (Chart 4).

[7] "Oil exporters and resource rich countries like Angola, Gabon and Sudan, and base metal exporters, such as Mauritania (iron ore), Mozambique (Aluminum), South Africa (Platinum) and Zambia (Copper) have been positively affected by the surge in international prices for oil, wood and metals, due partly to increased China's import demand…. Partly because of China's demand, world production capacity has been at its peak, and oil prices are unlikely to return to $20 a barrel. Similarly, aluminum prices went up by more than 20 percent, and copper prices have more than doubled between 2000 and 2005, and China is responsible for a significant increase in world consumption for both. Angola's terms of trade index rose from 86 in 2002 to 109 in 2005, and Zambia registered a parallel gain from 93 to 114. Finally, world gold prices increased by close to 60 percent in the last 5 years. Chinese demand plays a small but rising role for Africa's gold producers of Ghana, Mali, South Africa and Tanzania" (Zafar, 2007).

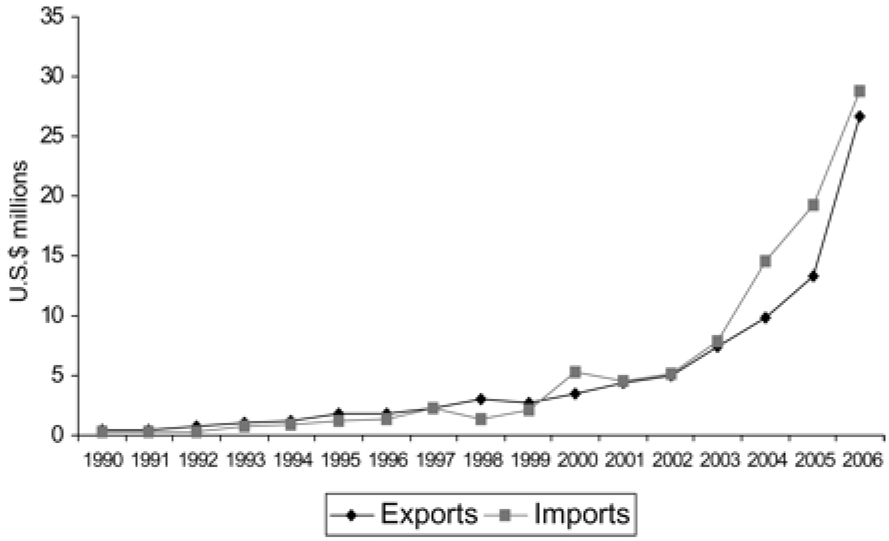
Chart 3
Average GDP Growth Rate of African Countries (1996-2005)



Source: Broadman, 2007, p.6.

Chart 4

China- Africa Trade Chart (1990-2006)



Source: Zafar (2007).

Irrespective of the convenience of the Chinese slogan that its increasing trade with Africa represents “a new type of strategic partnership” founded on “political equality and mutual trust, economic win-win cooperation and cultural exchanges” (Marks, 2007, pp.1-2), the reality remains that the primary consideration driving the Chinese in their African expansionist agenda is economics. As the Economist Magazine rightly pointed out:

> In terms of political ideology and approaches to socio-economic development, China is closely aligned to countries of the South. This has… shaped China’s relations with countries in Africa and elsewhere and created a somewhat idealistic impression of distant partner or big brother in the East… Many Africans still believe that relations with China are of an altruistic nature. They tend to forget the hard nosed commercial reality that now determines international relations… and relations with China in particular (Economist, 2006).

Complimenting its oil interests in this phenomenal growth of African trade is China’s “non interference” in domestic affairs of African countries (Taylor, 2006). China has consistently regarded talks about democracy and human rights as a tool of neo imperialism and has always argued that such matters should remain outside the control of external actors (Taylor, 2005). Not surprisingly, such stance has made it the partner of choice for regimes that have fallen out of favour with Western Governments and institutions such as the Mugabe Government in Zimbabwe (Wines, 2005a; 2005b). Not surprisingly, criticisms of the China Zimbabwe relationship have come from the West. Specifically, China has been accused of turning a blind eye to the human rights record of the Mugabe regime. Along these lines, it has been asserted that:

> Selling arms to some African leaders improves bilateral relationships and can enhance Chinese access to oil and natural resources. China does not demonstrate much concern for human rights, which is something they consider a Western concept… In 2000, Zimbabwe delivered eight tons of Zimbabwean ivory in exchange for a shipment of small arms. And in 2004, China sold the Zimbabwean army 12 fighter jets and 100 trucks in a deal worth more than $200 million (Looy, 2006, p.25).

Sudan is another example of a country where China has been heavily criticized for its reluctance to wade into the humanitarian crisis. Here, increased Western sanctions over the Darfur crisis has been counterbalanced by increased Chinese interests in the country.[8] Again, China's interest in the country has essentially been driven by its oil demands. The result is that today, Sudan is Africa's second largest exporter of oil to China. The country is also the third largest trade partner, after South Africa and Angola, with China in Africa. For Sudan, China is its top export partner. The proportion of Sudan's total export going to China rose from 65 percent of total exports in 2002 to 75 percent in 2006. Oil exports comprise 98 percent of this figure (Large, 2008). Interestingly, Sudan is one of the few countries that have a trade surplus with China. Most of the countries that enjoy this status are also heavy oil and raw material exporters to China. Such countries include: Angola, Equatorial Guinea, and Gabon (Chart 5). A notable exception is Nigeria whose oil exports to China is only a recent development. As already noted, the country is responsible for only 4% to total African oil export to China.

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[8] "China's first oil imports from Sudan were in 1995. China's National Petroleum Corporation began oil exploration there and has expanded rapidly. In 1997, the US imposed economic and trade sanctions on Sudan and China then moved in to fill the gap that Western countries had left. Currently, China National Petroleum is the largest shareholder and essentially controls the Sudanese energy sector as it is the main investor in Sudanese oil production" (Looy, 2006, p.17).

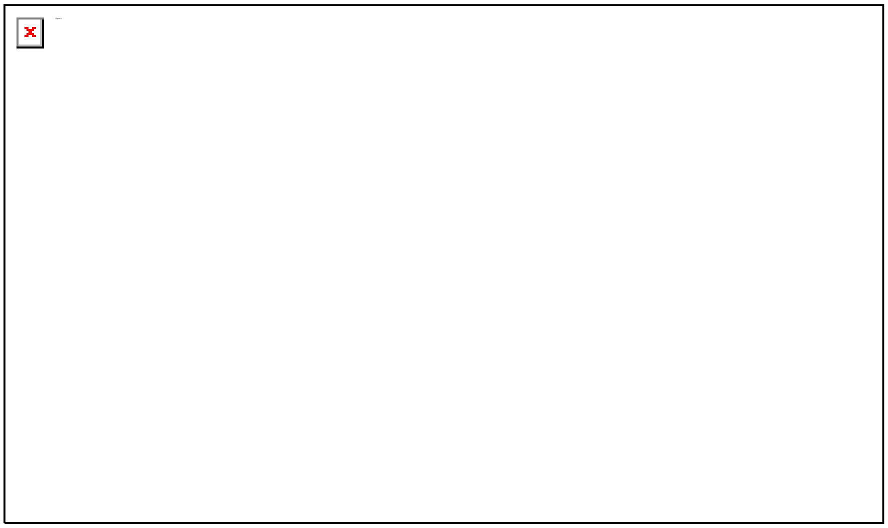
In the Horn of Africa, for instance, all countries with the exception of Sudan, run heavy trade deficits in their trade with China. Chinese promises and policies aimed at making the trade more balanced are unlikely to yield any meaningful results. Along these lines, it has been argued that:

> With the exception of oil rich Sudan, China trade with the region is heavily weighted in Beijing’s favor. In 2004, Chinese exports to Ethiopia made up over 93 percent of their bilateral trade. In the first half of 2005, Chinese purchases from Djibouti, Eritrea and Somalia/ Somaliland were negligible. In an attempt to correct the lopsided trade relationship this year, Beijing scrapped tariffs on 190 commodities from 25 African nations, including all the Horn countries [Djibouti, Eritrea, Ethiopia, Somalia and Sudan]. Yet, despite Chinese Government pronouncement claiming the initiative was an “important commitment to help African countries develop their economies,” this decision is unlikely to dramatically change China’s trade relationships in the region (Shinn and Eisenman, 2005).

Even the current trade deficits China is experiencing in its trade with most of the oil producing countries in Africa are likely to be eroded soon. This is particularly probable especially given the fact that the interest of China in the oil of these African countries is recent. Prior to this, these countries had developed trade patterns with Western countries mainly along colonial lines. As China grows its interest in the oil sectors of these African countries, it will be safe to predict that Chinese exports to these oil producing countries will rise. At the very least, increased oil interests will likely lead to increased demand for Chinese machinery and equipments required to service their oil interests in the continent. Consumers in these oil producing countries will also increasingly develop the taste for the relatively cheap Chinese consumer goods. Furthermore, there is evidence that China is using its bilateral trade agreements with African countries to expand its exports and labour to the region (cf.Amosu, 2007).

Chart 5

China's Trade with the Top 12 Sub Saharan African Countries in 2004



Source: Zafar (2007).

Opponents of China's "non interference" engagement in Africa argue that the idea of non interference is nothing but a myth. Specifically, they contend that China interferes deeply in the domestic affairs of its partners. Such interference is however always to the benefit of the ruling group. Who ever happens to be in power is a friend of China so long as they are willing to guarantee China access to their country's resources (Young, 2007). China has also been accused of using its military might to prop up unpopular regimes and protect its interests in such African countries. Along these lines, it has been asserted that:

> The classic example of Beijing's weapons exporting policy in Africa is China's involvement in Sudan's long running civil war, which has claimed nearly two million lives so far. China has pursued a policy that is entirely based on narrow economic interests and has been keen to supply the Sudanese Government with fighter aircrafts and an assortment of weaponry. Apart from the profits accrued from these arm sales, the policy helps consolidate and protect Chinese investment in Sudan's oil reserves… The motivation for such supplies is simple. The State owned China National Petroleum Corporation (CNPC) owns the largest share (i.e. 40 percent) in Sudan's largest oil venture. The Sino Sudanese oil field project covers 50,000 square miles in the Southern non Muslim region of the country and is expected to produce 15 million tons of crude oil annually. With proven reserves of 220 million tons, the project is among the largest China has

> undertaken overseas. Sudanese Government forces, armed with Chinese weapons have used Chinese facilities as a base from which to attack and dislodge Southerners in the vicinity of the new oil fields (Thompson, 2005).

Chinese trade and economic relationship with Zimbabwe has also attracted criticism. Since Zimbabwe fell out of favor with the West and became a pariah state in the 1990's it has increasingly looked to China for support. Essentially Zimbabwe now depends on Chinese goods, aid and engineers to salvage whatever is left of their dilapidated economy. Despite the intensity of pursuing this "Look East" policy, Zimbabwe's political and economic crisis continues to deepen. More recently, the ruling ZANU party has lost its majority in parliament and President Mugabe has officially lost the first round of the Presidential Polls signaling the beginning of a possible end to his regime. Its citizens are also beginning to question the quality of the Chinese products leading to rising resentment for the Chinese in the country:

> What the ordinary Zimbabweans reap from this relationship is also unclear… Zimbabweans complain, sometimes bitterly, that their new Chinese buses break down with alarming regularity and that the Chinese goods that flood stores and roadside stalls are so shoddy as to be worthless. Indeed they have coined a term for the phenomenon: zhing-zhong. "To call something zhing-zhong means that it is substandard," said Eldred Masunugure, the chairman of the political science department at the University of Zimbabwe in Harare. "The resentment of the Chinese is not only widespread; it's deeply rooted. It's affecting even other Chinese looking people like the Japanese" (Wines, 2005b).

While the West has always been quick to point out that the Chinese business practices in Africa lack moral basis, the reality is that there is little moral difference between the Chinese practices and the practices of the Western nations in economic dealings with Africa. While China's support for Zimbabwe and Sudan has roundly been condemned in the West, less is said about America's support for authoritarian African States. Along these lines, it has been rightly noted that:

> One Western stock idea about China is that "In some African countries, it is possible to talk of China's behavior as a new form of Colonialism." ….The CFR [US Council on Foreign Relations] fosters this notion by presenting PRC actions as deleterious to African interest in ways that it does not

> acknowledge with regard to the West: it singles out China's activities as uniquely supportive of illiberal regimes and harmful to the environment through purchases of illegal African timber. Elsewhere, China is accused of specially promoting corruption in Africa and trading in ways that damage African anti-poverty efforts… Several Western powers however have long supported authoritarian regimes in Africa… The most-praised US ally in Africa Yoweri Museveni, for example, incarnates "competitive authoritarianism," having tried his main opponent for rape and treason and changed the constitution to continue in office after 20 years as Uganda's President… While PRC support for Sudan and Zimbabwe is much discussed in the West… less is said about US support for authoritarian African states, especially oil producers such as Gabon, Cameroon, Angola, Chad and Equatorial Guinea…. Both China and the EU are large purchasers of illegal African timber and it is western pharmaceutical companies that engage in bio-piracy in Africa (Sautman, 2006, pp.2-3)

The essence of this point is not to get into an argument about which side: China or the Western countries are more ethical in their dealings with Africa. The important point however is the fact that the protection of self interest is the reality of international relations. As the next section will argue, any real push towards industrial development of Africa must come from within the continent. Any expectation that China's main purpose of increasing its trade with Africa is to aid African development is nothing but wishful thinking.

China and Africa's Industrial Development

Like Africa's international relations strategy demonstrated above by the relationship of some African countries and China especially with respect to the Taiwan question, the industrial policies of most African countries have been at best confusing and uncoordinated. Since the attainment of independence, for instance, some of the African countries like Nigeria have come full circle, first by nationalizing businesses and later privatizing the same businesses. In the context on industrial policy, this can be interpreted to mean that it was the perceived failure of Western businesses to voluntarily assist Africa's economic development that led some of these African countries to take the law into their hands and unilaterally nationalize foreign economic interests. The fact that many of these economies fell into even greater economic difficulties can be interpreted to mean that the whole idea of industrial development is more complicated than ownership transfer.

Following the downturn in the economies of several African states in the 1980s, occasions, at least in part, by falling commodity prices, most of the African countries, under pressure from the International Monetary Fund and the World Bank liberalized their economies leading to greater reliance on market forces as determinants of economic activity.[9] This coupled with the sour experience of nationalization led to lack of private sector interest in long term investments in important long term economic areas like infrastructure. Western Governments were also unwilling to invest in this area. This became a great impediment to the industrialization of the African countries. The result is that despite its enormous natural resources, most African countries have been unable to develop meaningful strategies of adding value to its natural resources in order to obtain higher economic returns. Rather, such natural resources are simply sold to developed countries which then refine and take it up the value chain before returning same to Africa for consumption. Inmost cases, African countries blame the structure of international trade for their inability to move up the value creation chain. It is therefore not surprising that most African countries have welcomed the rising China Africa industrial and economic relationship. In Congo, for instance, a comparative of Belgium and Chinese cooperation strategy asserted that while Belgium built roads solely for the extraction of resources, China construct roads that are suitable not only for the transport of resources but which citizens can also use to travel (Anshan, 2007, p.79).

The reality is however more complex. This is because, in China, the need to find resources for China's burgeoning economy is now a major component of Chinese foreign policy. It is because of the above that China actively encourage state owned corporations to seek out business opportunities, without much consideration for profits, in potential

[9] In the case of Francophone West African States, for instance, it was noted that: "After 1985, however, the economic and financial situation of the zone deteriorated as a consequence of two major shocks. First the zones terms of trade deteriorated by about 50 percent during the second half of the 1980s, owing mainly to a sharp drop in world market prices for its major export commodities, principally, cocoa, coffee cotton and petroleum. Second, the external competitiveness of the one weakened further as a result of the marked appreciation of the French Franc against the currencies of the zone's other major trading partners" (Clement et al (1996, p.1).

target countries, usually those that produce resources that China desire. At the same time, Beijing courts the governments of such countries with aid packages, debt forgiveness and trade deals. Under such scenario, Beijing's investments in long term infrastructure while useful to Africa, is also strategic for China as it helps give them the edge over Western countries (Pan, 2007). The workings and benefits of this strategy has been explained thus:

> China utilizes a variety of instruments to advance its interest in ways that Western nations can only envy. Most of China's investments are through state owned companies, whose individual investments do not have to be profitable if they serve overall Chinese objectives. Thus the representative of China's state owned construction company in Ethiopia could reveal that he was instructed by Beijing to bid low on various tenders, without regard for profit. China's long term objective in Ethiopia is in access to future natural resource investments, not in construction business profits. In other cases, China can use aid, investments and technical inputs to win long term gains and access, with a willingness to "lose" much in the short run to gain in the long run…. China's interest in taking over Nigeria's Kaduna refinery, an installation steeped in corruption, waste and decay can only be seen in this light (Lyman, 2005).

Not surprisingly, Western nations are concerned about the real motive of the Chinese and implications for Africa's industrial development (Wang and Bio-Tchane, 2008). Such concerns have generally been dismissed by some commentators who argue that Western nations have no moral right to question the intentions of China especially given the fact that such nations have for a long time exploited Africans. Along these lines, it has been asserted that:

> It is a bit hypocritical for Western states to be concerned about how China is approaching Africa when they have had centuries of relations with Africa, starting with slavery and continuing to the present day with exploitation and cheating… so that a cow in the European community gets a subsidy of $2 a day and 60 per cent of Africa doesn't get [earn] that (Young, 2007).

The reality is however more complex. The usual abdication of responsibility by Africans for their economic woes is unhelpful if African economic development is to be a reality. There are various internal reasons for the inability of Africa to develop meaningful value added industries. These among others, include poor governance structures and lack of support infrastructure like roads and electricity.[10] All these add to the cost of doing business and plays to the detriment of Africa's industrial development. Along these lines, it has been suggested that:

> African countries can attract and use more capital only if they significantly reduce the tape and other regulatory impediments to private activity. Although progress has been made in recent years, Sub Saharan Africa lags other parts of the world in terms of investment and business climate… 24 of the 30 countries with the most costly business environment are in Sub Saharan Africa. A business friendly environment will also incorporate non discriminatory taxation, customs regimes that facilitate the movement of goods and services and regulations that make the labour market more flexible while safeguarding the rights of labour. Because the poor quality of its infrastructure- particularly energy and transportation- is one of the major constraints of doing business in Africa… improving infrastructure is critical if African countries are to benefit from the globalization of business and industry (Wang and Bio-Tchane, 2008).

The result is that Africa depends on developed countries for almost all its products. Long before the advent of China as an economic force in Africa, Western Nations had devised numerous schemes in the form of preferential trading agreements in order to help African countries move up the production value chain and promote industrial development. As would be seen later in the case of the African Growth and Opportunity Act (AGOA), most African countries have been unable to take advantage of these schemes on a sustainable basis. In the light of the above, it is difficult to endorse without reservations the current optimism surrounding China-Africa economic relations. In this direction, one optimist has suggested that Africa's relationship with China could hold some promise. Along these lines, it has been asserted that:

[10] "The inability to take advantage of economies of scale and poor infrastructure are common constraints to expanding trade. Sub Saharan African markets are often characterized either by relatively large number of small high cost localized firms or by just a few firms that have significant domestic market power and little pressure to become more efficient. Local firms are also hampered by such well documented indirect costs as poor quality of electricity and telecommunication, limited access to financing and poor governance. Data underlying the World Bank Investment Climate Assessments indicate that such indirect costs account for more than 20 percent of total costs in Mozambique, Zambia, Eritrea, Tanzania, Kenya and Ethiopia compared with less than 10 percent of total costs in China, Nicaragua and Bangladesh" (Carey, et al, 2007, p.36).

> Moving up the value chain based on traditional SSA exports, in particular in agriculture and raw materials, would increase export values and help these countries better exploit preferential access to the European Union and the United States. In doing so, SSA countries will benefit from cooperation with China partners in overcoming market entry hurdles such as technical and quality standards, given their successful experience in entering Western markets. The scope for seeking out partnerships with Chinese firms is significant (Jacoby, 2007).

In reality however, such partnerships does not automatically translate to improved industrialization. Take for instance the experience of African countries in partnering with Chinese companies in the arena of textiles. For almost thirty years, this traditionally protected market was governed by the Multifiber Arrangement/ Agreement on Textiles and Clothing (MFA). This agreement essentially provided quantitative agreements and bilaterial quotas for international trade on Textiles. In the year 2000, the US Government passed the African Growth and Opportunity Act which allowed duty free access to US markets for selected African exports, including textiles on the condition that the concerned African countries respect human rights and the rule of law (Zafar, 2007). Chinese companies immediately took advantage of AGOA and set up factories in Lesotho and Swaziland with the sole objective of circumventing US and EU quota restrictions on Chinese textiles. With non renewal of AGOA and the lifting of MFA quotas in 2005, the Chinese simply closed their textile factories in Africa (Lammers, 2007). The emergent level playing field for the export of textiles brought to the fore the fact that textile production was cheaper in China than in Africa (Looy, 2006, p.24). A full comprehension of the textile industry crisis in Africa has been summarized thus:

> The removal of quotas coupled with the erosion of preferences has led to a decline in African textile exports especially to the United States… Since African exports are concentrated in formerly quota restrained products such as basic trousers, t shirts and sweaters, the end of quotas will significantly affect these products with other developiong countries expected to increase their market share. .. Initial studies suggest that China and India will dominate 80 percent of the global textile market following the phase out of quotas… The competition from growing Chinese imports in Africa due to lower production costs and better technology, has also hurt the textile sectors in a number of African economies, notably Botswana, Kenya, Lesotho, Madagascar, Mauritius, South Africa and Swaziland… Complaints are

> increasing from South African textile industry saying that cheap imports from China are threatening to wipe out local industry, where 60,000 jobs has been lost since 2002…. In Mauritius, more than 10,000 people have lost their jobs as dozens of textile factories have closed (Zafar, 2007).

At another level, China's African Policy has also promised to grant duty free treatment to some goods emanating from the least developed African countries with the view of optimizing trade structure and balancing bilateral trade with such African countries. In practice, however, it is unlikely that this will yield any material result. This is because the structure of the African productive environment makes it difficult for most of the African countries to be competitive in international markets. Aside from the absence of infrastructure, Africa's labour laws and educational system do not help matters. Under pressure from international labour organizations, many African countries have tended to adopt labour laws that are more suitable for developed Western nations. Mimicking Western educational system and poor educational funding and corruption has also not helped in the development of the requisite skilled manpower necessary for industrial development. Based on the above, the expectation that Chinese investments in Africa will automatically result in the training of an efficient African workforce is at best overoptimistic. Along these lines, it has been argued that:

> With Chinese businesses and manufactured goods flowing into Africa, conflict over differing labor practices and marketing strategies has arisen between Chinese and African enterprises. Chinese entrepreneurs rarely employ local workers in Africa… Rather, they are accustomed to bringing laborers from China and most management positions are filled by Chinese nationals. From an economic perspective, it is more efficient and convenient for Chinese entrepreneurs to recruit skilled workers in China than to train local workers. The former are often more familiar with the technologies and face fewer language and cultural obstacles in communication with management. Chinese laborers abroad are also more compliant to the demanding labour practices Chinese managers insist upon and are accustomed to working longer hours, working during local holidays, and working overtime on weekends (Anshan, 2007, p. 81).

From the above, it is clear that for African countries to truly develop and benefit from this fledging China Africa relations training and technological transfer must be clearly negotiated and agreed from the onset. African countries must agree on a clear and rigid programme for the indigenization of labour. This is the only sustainable way of training a competent African manpower in Chinese technology and entrepreneurship. Such agreements will also have to take into consideration language and cultural differences.

Although the Africans especially in resource rich countries, buoyed by the high commodity prices, are currently enjoying the cheap consumer products from China, this trend is unlikely to be sustainable in the long run. Any decrease, expected or unexpected in natural resource prices will definitely result in anti China sentiments. As mentioned above, such sentiments already exist in Zimbabwe.

At another level, questions have been raised about the ethical practices adopted by the Chinese in their African projects. In Namibia, for instance, the Chinese have been accused of using the idea of setting up local manufacturing outfits only as a ploy of getting work permits to operate in the very lucrative trading businesses. This is because the Namibian authorities give preference to the Chinese who are interested in manufacturing when it comes to the granting of work permits. Specifically, the manufacturing plants imported are no more than dysfunctional and unserviceable and their productivity abysmal. The unethical basis of the profitability of the Chinese Shops in Namibia has been explained thus:

> Profitability of Chinese Shops has been enhanced by creative, if illegal, ways of dealing with official regulations. This starts with the under invoicing at the factories or wholesalers in China. Invoices and custom papers that accompany shipments of Chinese goods to Namibia normally only show between thirty and fifty percent of the actual price, often much less. If the goods are officially imported into Namibia, this practice economizes import duties and VAT; if the goods remain offshore, it creates the opportunity to under invoice Angolan customers passing on lower tax rates to them while at the same time earning the balance between the invoiced amount and the real value in unregistered hard currency. As almost all transactions are done in cash and in US dollars, the practice of under-invoicing leaves traders with a large stock of cash, of which they can dispose without state interference in Namibia or China- at least if they manage to smuggle it out of the country. The arrest of a Chinese businessman … at the international airport in Windhoek in November 2007 with US $ 531,492 in his suitcase which made

> headlines in Namibian newspapers was exceptional only in the fact that the trader was caught and arrested (Dobler, 2008, p.).

Clearly such above practices are made possible by corruption and incompetence of the local staff charged with the operations of the ports and regulation of businesses. No foreign country, no matter how well intentioned can meaningfully try to deal with such local problems. Another way of interpreting the above facts is that it is the African environment that corrupts foreign businesses. After all, it is difficult to imagine such rampant abuse of laws and processes in the home countries of such foreign businesses.

Another area of concern with respect to the emergence of Chinese businesses in Africa is the issue of its safety standards in their business operations. In 2002, for instance a fire in a Chinese owned Lagos plastic company killed dozens of workers. Violent riots by locals subsequently broke out amidst allegations that locked doors had prevented workers from escaping (BBC News, September 18, 2002). In Zambia, there are also similar concerns. A 2005 fire incident and a 2006 shooting incident in Chinese run establishments brought the issue of Chinese standards to the front burner. According to the Asia News of May 2, 2007:

> It is in Chambeshi that Chinese firms are accused of making miners work without safety guarantees and of preventing trade union activities. In 2005, 51 miners were killed in a mine blast. In 2006, Chinese supervisors and police opened fire on miners who were asking for better work conditions and increased salaries (now they are paid two dollars a day). Former miner Albert Mwanaumo told how a Chinese supervisor shot him and said: “The Chinese, they don't even consider us to be human beings.” Lusaka cancelled a visit by Hu to the mining region to avoid certain public protests….. Copper constitutes 60% of the country’s export and is essential for Chinese industry. China’s presence in Zambia is backed by the president Kenneth Kanuda but bitterly opposed by the Opposition of Michael Sata. For the election on 28 September,… Sata promised to reopen ties with Taiwan and to throw Beijing out. He won a big majority in Lusaka and in the mining region, where the Chinese presence is greatest.[11]

The Opposition Leader, Michael Sata however missed the point. Whether it is Taiwan, Japan or any of the Western countries, Zambia cannot develop on the benevolence of its

[11] See also Kurlantzick (2006, p.5).

foreign partners. African Governments must become strategic in its engagement with foreign powers if the continent is to witness any sustainable economic growth and development.

<u>Conclusion</u>

Theoretically, it makes sense to argue that this emerging South-South cooperation between China and Africa would be beneficial to Africa. This is especially so given the fact that China, like all African countries, is a developing country. Its experience with rural development and intermediate technology is therefore bound to be more relevant to Africa than the experience of the industrialized western world. The reality is however more complex. China's main interest in Africa primarily lies in finding oil and raw materials to fuel its rapid industrialization. Any expectation that it will go out of its way to help develop Africa is mere wishful thinking. Given its abundant and comparatively cheaper labour, it makes economic sense for China to also export its labour to Africa. Aside from making its African investments comparatively more profitable and reducing its conflict with western styled African labour laws, it also provides little room for technological transfer which is central to the possible industrial development of Africa.

Based on the above, it is not surprising that despite China's developmental similarities with African countries, the structure of its economic and industrial cooperation with the continent mimics that of Western countries. It has for instance been noted that:

> Africa sells raw materials to China and China sells manufactured products to Africa. This is a dangerous equation and reproduces Africa's old relationship with colonial powers. The equation is not sustainable for a number of reasons. First, Africa needs to preserve its natural resources to use in the future for its own industrialization. Secondly, China export strategy is contributing to the deindustrialization of some middle income countries (Marks, 2007, p.5).[12]

For this type of relationship to change, African countries have to develop and operate clearly defined industrialization programmes in its dealings with China. Learning from its failed economic relationship with the West, it is now time for African countries to insist

[12] See also Sautman (2007, p.5).

on the indigenization of labour in all its industrial relationships with China. This is no doubt one of the most effective ways of ensuring that technology is effectively transferred from China to Africa. This is so since Chinese businesses will have no choice but to train African manpower in Chinese management and systems. Such a policy will however be facilitated by African Governments rethinking the labour markets to encourage Chinese style discipline and working habits. Finally, African Governments must develop a clear policy for insisting on local content substitution on an incremental basis. Given the fact that Chinese oil demands is rising at an exponential rate and that the country needs to diversify its oil sources, it is unlikely that China will turn its back on Africa just because it has developed guidelines to help ensure that the effective transfer of technology and industrialization by China. The future of Africa lies therefore with Africa.

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Appendix 1

Table 2A.1 African Countries' Three Main Exports, with their Share in Total Exports

	Three main exports, with their share in total expxorts*			No. of produts accounting for more that 75 per cent of exports
	Product I	Product II	Product III	
South Africa	Platinum (11.8%)	Diamond.exl.industrial (9.6%)	Oth.coal,not agglomerated (7.5%)	44
Egypt	Motor gasolene,light oil (15.3%)	Crude petroleum (13.4%)		42
Tunisia	Trousers, breeches etc. (17.1%)	Crude petroleum (6.8%)	Insultd wire, etc.conductr (5.4%)	35
Morocco	Trousers, breeches etc. (6.5%)	Diodes,transistors etc. (5.5%)	Insultd wire,etc.condctr (5.4%)	33
Kenya	Tea (16.9%)	Cut flowers and foliage (11.2%)	Motor gasolene,light oil (9.3%)	25
Tanzania	Fish fillets,frsh,chilld (12.6%)	Coffee, not roasted (8.9%)	Tobacco,stemmed,stripped (6.9%)	21
Zimbabwe	Tobacco,stemmed,stripped (30.8%)	Nickel,nckl.alloy,unwrgt (8.9%)	Nickel ores,concentrates (8.6%)	13
Mauritius	T-shirts,othr.vests knit (16.6%)	Sugars,beet or cane, raw (16.4%)	Jersys,pullovrs,etc.knit (11.5%)	10
Madagascar	Spices,ex.pepper,pimento (27.9%)	Crustaceans, frozen (14.6%)	ersys,pullovrs,etc.knit (11.6%)	9
Eritrea	Elctrn comp pts,crystals (40.7%)	Electrical capacitors (11.8%)	Drawing,measurg.instrmnt (4.6%)	8
Namibia	Fish fillets, frozen (22.5%)	Diamonds.excl.industrial (15.4%)	Radio-active chemicals (10.8%)	8
Senegal	Molluscs (20.2%)	Groundnut oil, fractions (11.1%)	Fish,fresh,chilled,whole (9.4%)	8
Uganda	Coffee, not roasted (31.8%)	Fish fillets,frsh,chilld (11.0%)	Tobacco,stemmed,stripped (9.7%)	8
Cape Verde	Special trans not classd (19.1%)	Gas turbines, nes (18.2%)	Shirts (9.3%)	7
Côte d'Ivoire	Cocoa beans (48.2%)	Cocoa paste (7.7%)	Bananas, fresh or dried (4.8%)	7
Gambia	Aircrft etc.ULW >15000kg (40.3%)	Oth.frsh,chll.vegetables (10.4%)	Groundnut oil, fractions (7.3%)	7
Ghana	Cocoa beans (48.3%)	Wood,non-conifer, sawn (6.3%)	Alum.,alum.alloy,unwrght (5.1%)	7
Togo	Cotton,not carded,combed (36.7%)	Natural calc.phosphates (20.9%)	Cocoa beans (5.8%)	7
Zambia	Copper;anodes;alloys (40.7%)	Copper plate,etc.15mm+th (10.8%)	Cobalt,cadmium,etc.unwrt (10.4%)	7
Ethiopia	Coffee, not roasted (47.2%)	Sesame (sesamum) seeds (12.6%)	Sheep skin without wool (6.5%)	6
Sierra Leone	Diamonds.excl.industrial (49%)	Convertible seats,parts (10.9%)	Parts,data proc. etc.mch (4.9%)	6
Djibouti	Sodium chloride, etc. (35.2%)	Oth.wheat,meslin,unmlled (11.5%)	Petrolm.bitumen,coke,etc (10.2%)	5
Cameroon	Crude petroleum (43.1%)	Wood,non-conifer, sawn (13.4%)	Bananas, fresh or dried (9.8%)	4
Guinea	Aluminium ore,concentrat (43.4%)	Alumina(aluminium oxide) (17.2%)	Crude petroleum (10.3%)	4
Lesotho	Jersys,pullovrs,etc.knit (33.3%)	Trousers,breeches,etc. (18.4%)	Trousers, breeches etc. (15.9%)	4
Malawi	Tobacco,stemmed,stripped (55.7%)	Tea (10.5%)	Tobacco,not stripped, etc (8.8%)	4
Somalia	Sheep and goats, live (27.6%)	Fuel wood, wood charcoal (20.7%)	Molluscs (17.1%)	4
Algeria	Crude petroleum (50.3%)	Natural gas, liquefied (15.1%)	Motor gasolene,light oil (14.8%)	3
Benin	Cotton,not carded,combed (68.7%)	Motor gasolene,light oil (5.8%)		3
Burkina Faso	Cotton,not carded,combed (66.9%)	Sesame (sesamum) seeds (6.4%)	Cigarettes contg.tobacco (4.1%)	3
Central African Republic	Diamonds.excl.industrial (42.7%)	Wood,non-conif,rough,unt (29.1%)	Cotton,not carded,combed (14%)	3
Congo DR	Diamonds.excl.industrial (54.9%)	Industrial diamonds (14.4%)	Crude petroleum (8.8%)	3
Guinea Bissau	Molluscs (32.8%)	Propane, liquefied (21.8%)	Fish,frozen ex.fillets (20.6%)	3
Mauritania	Iron ore,concntr.not agg (39.8%)	Molluscs (27.8%)	Fish,frozen ex.fillets (15.5%)	3
Chad	Cotton,not carded,combed (57.5%)	Crude petroleum (21.1%)	Natural gums,resins,etc. (11.9%)	2
Lliberia	Ships,boats,othr.vessels (69%)	Wood,non-conif,rough,unt (9.5%)	Natural rubber latex (5.9%)	2
Mozambique	Alum.,alum.alloy,unwrght (70.9%)	Crustaceans, frozen (6.6%)		2
Niger	Radio-active chemicals (71.5%)	Special trans not classd (12.3%)		2
Rwanda	Crude petroleum (61.1%)	Ore etc.molybdn.niob.etc (14.8%)	Coffee, not roasted (14.6%)	2
Syechelles	Fish,prepard,presrvd,nes (54.5%)	Fish,frozen ex.fillets (27.3%)	Motor gasolene,light oil (4.3%)	2
Swaziland	Chem.products etc.nes (48.3%)	Yarn,staple fibres, etc. (29.1%)	Othr.organo-inorgan.comp (5.4%)	2
Angola	Crude petroleum (94.6%)			1
Botswana	Diamonds.excl.industrial (87.6%)	Nickel mattes,sintrs.etc (8.4%)		1
Burundi	Coffee, not roasted (78.9%)	Diamonds.excl.industrial (4.7%)	Ore etc.molybdn.niob.etc (4.4%)	1
Comoros	Spices,ex.pepper,pimento (88.1%)	Essential oils (8.8%)		1
Congo	Crude petroleum (78.4%)	Motor gasolene,light oil (5.8%)	Wood,non-conif,rough,unt (5.7%)	1
Equatorial Guinea	Crude petroleum (89.6%)	Acyclic monohydric alchl (4.6%)	Wood,non-conif,rough,unt (4.1%)	1
Gabon	Crude petroleum (77.4%)	Wood,non-conif,rough,unt (12.3%)	Manganese ores,concentrs (4%)	1
Libya	Crude petroleum (82.8%)	Motor gasolene,light oil (10.4%)		1
Mali	Cotton,not carded,combed (86.8%)			1
Nigeira	Crude petroleum (86.4%)	Natural gas, liquefied (4.6%)		1
São Tomé and Princip	Cocoa beans (82.2%)1			1
Sudan	Crude petroleum (79.6%)			1
Africa**	Crude petroleum (38.4%) [16.3%]	Motor gasolene,light oil (4.7%) [5.5%]	Diamonds.excl.industrial (3.7%) [12.5%]	36

Sources: OECD 2006.

Notes: * Products are reported when accounting for more than 4 percent of total exports.
** Figures in [ ] represent the share of Africa in the world export for each product.