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**FACULTAT DE TRADUCCIÓ I D'INTERPRETACIÓ**

**GRAU D'ESTUDIS D'ÀSIA ORIENTAL**

**TREBALL DE FI DE GRAU**

**Curs 2016-2017**

**CHINA'S STRATEGIC PARTNERSHIP WITH  
AFRICA**

**A Case Study of the Sino-South African Relations**

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### **Dades del TFG**

**Títol:** L'associació estratègica de la Xina amb l'Àfrica, Estudi de cas de les relacions sino-sudafricanes.

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### **Paraules clau**

Xina, Africa, Sud-àfrica, estratègia, associació, cooperació, win-win, política, economia, relacions.

### **Resum del TFG**

Aquest Treball de Fi de Grau tracta sobre com i de quina manera la Xina es relaciona i s'associa amb Àfrica, quin tipus de cooperació es duu a terme, com es desenvolupa aquest associament i a quins nivells interaccionen. Per poder entendre de manera més acurada i exemplificar aquesta associació estratègica, s'introdueix, en primer lloc, un marc històric sobre les relacions exteriors xineses per entendre perquè la Xina busca establir relacions de benefici mutu amb el continent africà. Seguidament, s'expliquen quins programes de cooperació i d'inversió es realitzen entre Xina i els països Africans i també en el context internacional. Finalment es porta a cap un estudi sobre les relacions entre la Xina i Sud-àfrica per poder exemplificar més detalladament l'associació estratègica. En aquest últim apartat es treballa sobre de quina manera pacta la Xina amb Sud-àfrica en termes polítics, econòmics i socials.

L'objectiu principal de la recerca és demostrar que les relacions entre els països Africans i la Xina es basen en una estratègia que resulta "win-win" (guanyar-guanyar) per a les dues parts.

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### **Palabras clave**

China, Africa, Suráfrica, estrategia, asociación, cooperación, win-win, política, economía, relaciones.

### **Resumen del TFG**

Este *Treball de Fi de Grau* trata sobre cómo y de qué manera la China se relaciona y se asocia con África, qué tipo de cooperación se lleva a cabo, como se desarrolla esta asociación y a qué niveles interactúan. Para poder entender de manera más cuidadosa y ejemplificar esta asociación estratégica, se introduce, en primer lugar, un marco histórico sobre las relaciones exteriores chinas para entender porque China busca establecer relaciones de beneficio mutuo con el continente africano. Seguidamente, se explican qué programas de cooperación y de inversión se realizan entre China y los países Africanos y también dentro del contexto internacional. Finalmente, se lleva a cabo un estudio sobre las relaciones entre la China y Sudáfrica para poder ejemplificar con más en detalle la asociación estratégica. En este último apartado se trabaja sobre de qué manera pacta China con Sudáfrica en términos políticos, económicos y sociales.

El objetivo principal de esta investigación es demostrar que las relaciones entre los países Africanos y China se basan en una estrategia que resulta "win-win" (ganar-ganar) para las dos partes.

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**Data of the TFG**

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**Summary of the TFG**

This *Treball de Fi de Grau*'s purpose is to explain how and in which way China engages and associates with Africa, which kind of cooperation is being carried out, how is this partnership developed and in which way the actors interact. For a better understanding of these relations and to exemplify this strategic partnership, firstly it will be introduced the historical framework of China's foreign relations in order to comprehend why China looks for the stabliment of a mutual profit relation with the African continent. After, there is an explanation of which cooperation and investment programs are realized between China and the African countries and within the international context. Finally is carried out a case study of the Sino-South African relations to exemplify in more detail the strategic partnership that China performs. This last section works on how China interacts with South Africa in political, economic and social terms.

The main aim of this research is to demonstrate that the relations between African countries and China are based on a win-win strategy for both parts.

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# 1. INTRODUCTION

Based on a cheap labor from the billions of population, China has been known to be the "workshop of the world" for a long time. However, the notion of Cheap China is dismissed as myth. With the world's largest manufacturing power, China is now emerging as one of the most influential countries both politically and economically. It has overtaken the USA as the world's largest economy, and it is not too much to say that the 21st century is "The Chinese Century (Brecken: 2011)".

One of key factors that have led the recent rise of China is a change of economic policies during the late 70s', 80's and 90': especially the Economic Reform(1978), the Open Door Policy(1878), the Special Economic Zones(1980), and the Go Out Policy(1999) or the "Win-Win" strategies. Escaping from the limitations of a closed economy, China has promoted international exchanges and interaction with many different countries around the world.

The emergence of China in the African Continent as an economic and political actor is the most representative and interesting case that shows China's strategic partnerships with other countries. Some point out that the Chinese pragmatism will undermine the opportunity of self-development for African countries, making them dependent on China. They view China's presence in Africa is nothing more than a neocolonialism. However, with a deep analysis of Sino-African relationships and historical consideration, it is hard to say that Africa is being exploited by China, but rather Africa has achieved a new form of self-supply through the bilateral cooperation with China (Ríos, 2008). That is, the Dragon's motherland is offering what the Old Powers couldn't in the 19th century: a one-to-one relationship.

As rapidly growing, China has an increasing demand for raw material. The overpopulated country needs more resources to satisfy the needs of a growing middle class in the society and its economic development. China has experienced difficulties meeting the needs, so it has found a new solution: cooperating with a big continent, full of natural resources and in the process of development—Africa. In exchange for resources, African countries obtain infrastructures, technologies, and knowledge that are required for their development.

The aim of this paper is to demonstrate that the relationship between African countries and China is a win-win strategy for both. To prove this point, this essay will analyze the China's strategic partnership with Africa; how China cooperates with

African countries, how this partnership has developed, and what incentives both actors gain from this relationship. Besides, in order to understand how China specifically interacts with a country, the case study of South Africa is presented as an example. One main reason that South Africa is chosen among many African countries is the fact that it has the most advanced economy in the African continent. Based on its large size of economy, the country can show more dynamic interactions with China than others. In addition, with a global partnership through the BRICS, South Africa has maintained a long history of economic cooperation and cultural exchanges with China, embracing the oldest and largest Chinese community in Africa.

This essay is divided into three main blocs:

1. General Framework of Chinese Foreign Relations
2. China-Africa Relations
3. A Case study of China and South Africa Relations

The first bloc, General Framework of Chinese Foreign Relations, focuses on explaining China's history of foreign relations, migration, and economy. The purpose of this bloc is to establish a background that can help to understand how China has changed its attitudes toward other countries and why China's partnership with Africa is based on mutual benefits. The following chapter consists of different cooperation programs between China and Africa: the first Sino-African cooperation programs, the win-win target, and other trade and investment programs. The goal of this bloc is to introduce China's foreign policy in Africa and its impacts, and to describe how it has developed over time. The last section is the case study of South Africa. The analysis will review (1) the political and diplomatic relationships, (2) the investment and trade, and (3) the social impacts of Chinese migrations into South Africa. Finally, this paper will conclude with an overview of the research and it will be provided and answer to the win-win partnership hypothesis.

<< 冷静观察、稳住阵脚、沉着应付、韬光养晦、善于守拙、决不当头,有所作为。>><sup>1</sup>

*“Observe calmly; secure our position; remain calm coping with affairs; conceal our capacities and bide our time; be good at maintaining a low profile; never claim leadership; but accomplish somewhat”*

Deng Xiaoping’s “28 Characters Strategy”

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<sup>1</sup> lěngjìng guānchá, wěnzhù zhènjiǎo, chénzhuó yìngfù, tāoguān yǎnghuì, shànyú shǒuzhuō, juébùdāngtóu, yǒusuǒ zù-dwéi.

## **2. GENERAL FRAMEWORK OF CHINESE FOREIGN RELATIONS**

Chinese government's foreign policies in the 21st century are constructed with a special attention to achieve a mutual benefit with its partner countries and always follow the rule of non-intervention in the domestic affairs. In contrast with other powers as European countries, which prefer to interact with democratic countries, China puts less emphasis on political preferences of its partners and attempts to build a relationship based on the condition of a peaceful partnership. This generous approach contradicts with the traditional ones used by Western countries, and it can be seen as an alternative of the Washington Consensus. Accordingly, the purpose of this section is to review the history of the Chinese foreign relations with regard to understand why China does not follow the traditional way of holding foreign relations when it searches for a new partnership. The discussion starts from the end of the Second World War to the present time. After the Second World War, Japanese withdrew from China, and the conflicts between Nationalists and Communists soon ended. Four years later, in 1949, Mao Zedong proclaimed the founding of the People's Republic of China, which can be seen not only as a change of government but also as a change of the ideology. Until then, the Chinese international behavior and way of establishing foreign affairs were first conditioned by China's dynasties following the 天下 or "All Under Heaven" order, and after tied to the European Countries being a sub-colony for some of them. After the establishment of a united nation ruled by a proper Han Chinese government, the aim of the Chinese Communist Party (CCP) was to build a self-sufficient China free of wars or occupations and to combine communism, patriotism, and internationalism altogether in order to range with the Great Powers.

Accordingly, the 50's and 60's are a period of catch up in all aspects. In terms of international relations, Premier Mao purged all the western economic and political presence from China and chose to take part of the Soviet bloc but with an equal status instead of being just another satellite country of the URSS. He also threaded to use military resources to take back Taiwan and sent the army to fight in the Korean War in favor of the communist's power in Korea. Later, China signed in the Bandung Conference (1955) the "10 Points Principles": refusing any kind of colonialism or to serve to any interest of the Big Powers, not interfering in other nations' affairs, and promoting the

cooperation between countries. Following the Bandung Participles<sup>2</sup>, China constructed its foreign relations basing them with the Participles and they still follow these standards.

Later, in the frame of the Cold War, as the URSS got a peaceful coexistence with the USA, Chinese government decided to split its country from the new moderate version of socialism of the Soviet Union. This decision was taken to achieve a socialist internationalism (1960) and to step aside from what Mao considered a damaged socialism. This movement, which was more revolutionary, searched to establish a world free of capitalism, human exploitation, and imperialism. plus, the Vietnam War implied a diplomatic isolation and military conflict with both of the main world powers of the Cold War. Furthermore, with the Cultural Revolution in 1966, China denounced all the Western Powers as imperialists and called for a revolution from the rest of the world, and the animosity in their relations strongly intensified (Chen, 2005).

This political strategy had a positive impact on developing countries which seek for any opportunity to cease their economic dependence from the European Countries, URSS or USA and to achieve more autonomy. China, in that moment, did not have the same economic and technological capability as the Westerns Powers to properly aid all those countries. It was still developing itself as well, so only the poorest States were able to establish economic and diplomatic ties with the communist country. The CCP mostly carry through its Outward Direct Investment (ODI) in African countries like Zambia, Ghana or Benin; in the Asian States like Myanmar, North Korea, and Cambodia or Latin America like in Cuba. Some of those countries even decided to banish the Westerns' presence in favor of a Sino-alliance (Dessein, Bart, 2014; and Lam, Katy N.: 2017). From this global insurgency, China was little by little gaining a higher status in the international context, praised from some and despised by many others.

Somehow, China ends the 60's surrounded by a hostility belt, with tensions in the Vietnam War, and India in the South, an enraged Taiwan in the East, and a frontier war with the Soviet Union in the North(1969) that attempted to destroy its nuclear facilities. Against this backdrop, CCP had to rethink its foreign policy in order to get some help facing the URSS. Despite the political differences, China initiated the well-known "Ping-Pong Diplomacy"(1970) with the USA, which not only later would content the

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<sup>2</sup> Centre Virtuel de la Connaissance sur l'Europe (CVCE).(-). "Final Communiqué of the Asian-African conference of Bandung (24 April 1955)". Last review 29/12/2016 from: [http://franke.uchicago.edu/Final\\_Communique\\_Bandung\\_1955.pdf](http://franke.uchicago.edu/Final_Communique_Bandung_1955.pdf)

URSS threat, but also shift all its foreign relations with the western world, thanks to the "Shanghai Communiqué" agreement (1972).

Later, in 1976, Mao Zedong passed away, which was an important event in Chinese history because it was not only a change of leadership, but also a shift in the paradigm of "Chinese way". While the spirit of Maoism still survived, China with Deng Xiaoping as a Chairman transformed in many fields. For example, the foreign policy was renewed and the main characteristic was to share an affinity with the same ideology as China wasn't important anymore. As long as other countries could contribute somehow to China's development and carry out all the business in a peaceful way, they were totally welcomed.

In terms of economy, since 1978 and throughout the 80's, the CCP initiated the "Open Door Policy" which consisted of economic reforms, the spread of international cooperation, the establishment of the Special Economic Zones (SEZ), and the Coastal Open Cities to catch foreign investment. The aim was to modernize its economy, improve Chinese people's quality of life and catch up all the technology lagged behind other nations. The facilities that China granted searching to attract ODI effectively worked. Foreign Direct Investment (FDI), which was very low in the past, increased exponentially after the "Open Door Policy". For example, the USA foreign direct investment in 1983 was 1.7 billion dollars and in 1988 rose up to 5.3 billion dollars and in 1991 it reached 11.4 billion (Wei, Shang Jin: 1995). The FDI took different shapes apart from money, such as "Compensation trade" exchanging machines for the output produced, or joining oil explorations. Within a decade, China started to be considered the world's factory.

The "Open Door Policy" was also an opportunity for all overseas Chinese to return with their knowledge achieved from abroad (Wang Cangbai, Wong Siu-Lun, and Sun Wenbin: 2006) and furthermore to actively invest in the capital and development in their homeland. At the same time, it allowed the mainland Chinese to move abroad to the USA to work in some corporations creating transnational labor market flow (Yang, Philippe: 2006). With all the economic power that emerged from the FDI, China showed more active participations in the international community, including joining the World Trade Organization (WTO) in 1989 and the Association of South-East Asia Nations (ASEAN) in 1991. In 1992, China restored its relations with Russia and continued some cooperation with South America and African countries (Ba: 2003).

Worldwide trade of China was intensified in the 90's. In 1991-1992, the CCP readjusted the Chinese market to meet the international trade standards, of which the

result was a great diversity of trade partners raising its importance in the global society. Some examples are the elimination of the import license in some goods, the cancellation of the import tax, and lowering the trade tariff rates by a significant amount. The main business participants were the Asian countries followed by the USA and the European Union (Zhang Jianhong and van Witteloostuijn, Arjen: 2004). With the growth of the trade in China, in 1993 and 1994, the government implemented more open policies to establish a corporative system, to assure a macroeconomic control of the market, and to promulgate an economic legislation. Later, China created the Bank of China and the Export-Import Bank of China in order to help the effectiveness of the commerce (González-García: 1996).

While, in the 80's, the Chinese government helped the foreigners' invest in China, in 2000, it encourages the local state-owned trading companies to expand their influence abroad. The "Go Out Policy" (1999) was designed to help the country to be more independent from other countries' help and to be more influential in the world. Thanks to this strategy, thousands of entrepreneurs were able to move to other countries to start a business, and this can be regarded not only as an opportunity for China to start economic relations with other countries but also, because all the investment returns to the Motherland in shape of money, as financial support projects or modernization (Boldurukova: 2014).

The 21st century is also a golden age for China in terms of international cooperation and economic investment. While it is still the recipient of investment from the economic powers around the world, China has grown up to be an active investor and a cooperative actor. Therefore, we find those countries with cultural similarities or riches in natural resources as the first who benefits from the Chinese financing (Kumar, Yap: 2011). The dragon's motherland holds with Asia-Pacific countries developing a free-trade area (with ASEAN), with African countries formalizing trade, aid and investment relations (FOCAC) and with Latin America (Reardon, Timmer, Barrett, Berdegué: 2003).

As mentioned in the beginning of this chapter, the main aim of China's foreign policy is to ensure an economic stabilization and strengthen the ties with developing countries always following a mutual benefit and non-interference in the domestic affairs of the partner country. Taking into account all this historical context and China's political and cultural status quo, it is easy to understand why China takes a different approach from western countries when trading with African, South American, and South Asia countries. China, with the ambition to set up a new model of trade and cooperation

based on trust, equality, win-win, and non-intervention policies, as it will be shown in the next section, China is trying to build a new stage in the international affairs and economic relations.

### 3. CHINA-AFRICA RELATIONS

For the start of discussion over the development Sino-African relations today, the historical review of their interactions is necessary. The history of China and Africa's relations can be traced back to 8th century, when the seafarer Du Huang reached the Arabian coast of Africa, or around the year 1320, when the cartographer Zhu Shibei completed a map of the African continent with an exceptional precision. Although these two personages are notably important, the most emblematic person of the Sino-Africa interaction is Zheng He (Snow: 1988), a navigator, administrator, eunuch and diplomat who began seven maritime expeditions from 1405, which were led to the discovery of Ormuz Strait, the Red Sea and the eastern coasts of southern Africa. Ming dynasty expanded its commercial routes by earth and sea from the Middle East to the East Coast of Africa, (Fairbank: 1968), but ended in 1712 with the Qing dynasty, which prohibited the emigration of the Chinese population. It won't be until the mid-20th century that these relations began in earnest.

Traditionally, African countries have been exploited by the European countries and the United States, but, in the past half century, they shifted from those relations in order to build and stabilize and an economic growth. China was one of the new economical actors that took advantage of this shift and started, as Deborah Brautigam shows in her book *Rising China: Global Challenges and Opportunities* (Brautigam: 2011)<sup>3</sup>, China granted economical and technical agreements or loans from 1960 starting with Sudan, Guinea, Ghana, Mali or Somalia and since then, adding more countries to the list every year. One thing to remember is that the mid-20th century is distinguished by the Cold War (1947-1991) and there was a strong competition between the USA and the URSS, as well as between the communism and the socialism. By the end of the 1980, most of African countries made some cooperation agreements with China (Eisenberg: 2012-1-1), deciding whether to step aside from the Western colonies or to withdraw the capitalist and the socialist blocks. From this perspective China expanded its influence around the continent.

Nowadays, the African countries have focused their attention toward new economic actors apart from China, in the global context such as Brazil or India (Songwe, Moyo: 2011). And not only the partners are new, even the way of developing the economic relationships have their own characteristics.

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<sup>3</sup> Table "Years of new aid commitments, China to Africa, 1960–2007" in the annex, Section 1.

The main strategy that China has taken for Sino-African relations is a win-win model that is intended to build up cooperative partnership and investment projects and, at the same time, to secure a strong economy-based diplomacy and potential markets for the Chinese entrepreneurs and companies(Sutter: 2006). The win-win model is explained in the following section.

### ***3.1. TARGET: WIN-WIN***

As it has been mentioned in the previous section, the main feature of China's method of interaction with another country is the win-win strategy. An objective description of a win-win situation is provided by Karen M. Sutter in her comment "China's Win-Win Trade Policy" in *The China Business Review* (Sutter: 2006), explaining that this strategy follows five standard rules to conceive the cooperation policies. The first one is the "mutual benefit", represented by the concept "win-win", accomplished by negotiating the market importation and exportation. The second rule is the "development first" mission: localizing some industries in the partner's country; purchasing the surplus and incentive based on the quality rather the quantity. The next one is to establish a consulting mechanism to solve any issues as quickly as possible. The forth is the equal consultation, finding a consensus; and the last, a no-politicization of the trade issues, to split economical and business issues from political affairs.

Bearing this description in mind, we return to the historical construction of China-Africa relations and the Chinese Framework of Foreign Relations. The African countries wished for new trade partners in spite of shifting from the Western Powers and growing their economies. China was surrounded by the hostility belt with the Vietnamese War, Taiwan, India in the South and the URSS in the north, and therefore, it needed new allies.

Hence, China entered into the trading partnership game in the early 60', with the 10 visits of the Premier Zhou Enlai to different African Countries. He announced the "Five Principles"<sup>4</sup> to guide China's relations with Arab and African nations, assuring an anti-imperialism position of China and also the "Eight Principles"<sup>5</sup> to explain the Chinese loans and economic and technological agreements. These principles were designed to compete the capitalist and socialist blocks, offering an approach of "equal and mutual benefit" instead of the Western traditional "master", searching for the engagement of the

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<sup>4</sup> The "Five Principles" are compiled in the Section 2 of the Annex.

<sup>5</sup> The "Eight Principles" are compiled in the Section 3 of the Annex.

African Countries even if in the start their financing capacity was very low. During this decade, infrastructures including hospitals, conference centers, and stadiums were built in several African countries to show support for the African independence. The African countries started to engage in the aid agreements between the '60 and the 1998, ending with South Africa as the latest enrollment. To return the favor, in 1971, 26 African countries voted in favor for the comeback of China in the United Nations (Li:2007,3,3).

Until the 2000's, the aids from China had increased due to the FDI that was promoted by the "Open Door Policy" (1978) reform. From that moment, China became the most important economic partner for Africa. Africa was in a low development stage and urged for the demand of infrastructure and some trade to energize the economy (Sun: 2014), but did not have much to offer in exchange apart from the natural resources and the labor force. Therefore, the Chinese government exchanged interest-free loans and credits or infrastructures ("Angola Mode" agreement) for mineral resources, energy and oil. With this mode of engagement, Africa was able to offer a supply of resources and start stimulating its markets and, meanwhile, this market-driven trade allowed China to satisfy its huge need of raw materials with cheap imports, the win-win situation occurred.

Nowadays China's diplomacy still respects a no-interference in African countries' internal affairs and preaches for a "selfless" intention to provide development model without exploiting the African resources and business (Africa Research Bulletin: 2006). However, after 2000' data reveals, as we can observe in the article of Phineas Bbaala "Emerging Questions on the Shifting Sino-Africa Relations: 'Win-Win' or 'Win-Lose'?" in the *African Development* (Bbaala: 2015-03), some deviations, the "8 Principles" that defended an "equal and mutual benefit" status, changed. For example, imports from China to the African countries and the exports from those are not equally balanced nor in the same condition between them. This irregularity appears when Bbaala says that from one side, in 2009 the 60 per cent of the Chinese exports were destined to South Africa (21 per cent), Egypt (12 per cent), Nigeria (10 per cent), Algeria (7 per cent), Morocco (6 per cent) and Benin (5 per cent); but in the other hand, the 70 per cent of the importations from the African continent comes from just four countries: Angola (34 per cent), South Africa (20 per cent), Sudan (11 per cent) and Republic of Congo (8 per cent).

Another data that will help to understand how big is the Chinese commitment in contrast with other countries of the World is given in Brautigam's research on Chinese development Aid in Africa (Brautigam: 2011). The expert reports that in 2008, the

Chinese official development assistance (ODA) was around 1.2 billion of dollars while the ODA provided from, France, the World Bank or the USA was 3.4 billion of dollars; 4.1 billion of dollars and 7.2 billion dollars, respectively. Then, it can be observed that the help provided from China to China is not as big as it was expected. Nevertheless, there still exists some evidence that the Chinese government continues the economic mutual help with different programs, as we can see in the next part.

### ***3.2. FIRST COOPERATION PROGRAMS***

There is some historical evidence that shows China-African economic cooperation goes back to 500 years ago, but it was not until China could get some economic foundation that could carry out some business. According to Adiso, Sharkey and Okorafo, the business connection between China and Africa can be divided in three periods. The first one is called “coolie trade” and goes from 1850 to 1950. This coolie trade was related to colonial labor and focused on mining, railway construction and plantation with small-scale exports. The second phase goes from 1960 to 1980 when China shifted away from the coolie trade to get some political relations and offered aid to Africa with the intention to build a “South-South” connection. In the context of the Cold War, the People’s Republic of China challenges the main power countries setting down those equal relations in order to push the market liberalization, the establishment of special economic zones, and direct investment. The final step goes from 1990 to the present time and the main interactions between China and African countries are in the oil extraction, mining and construction areas (Adiso, Sharkey, Okorafo: 2010). Even if the programs are focused in the extraction field, the third phase is also the period of the “Going Out” for the Chinese Companies, so in this third phase, not only the government can offer programs of cooperation, but also banks and companies do it too.

Regarding the second phase, the main symbol of this period was the construction of the *Tazara* (Tanzania-Zambia) railway which was built between 1970 and 1975, in an afro-pessimism context due to all the indebtedness after breaking with the Western powers’ bounds. This railway was meant to be built to connect Zambia’s Kapiri Mposhi to Tanzania’s Dar Es Salaam, but the financing was a problem, and the World Bank and Western countries refuted the idea to help in the finance of the train. The Chairman Mao Zedong took the initiative to support the project with 405 million dollars. The cooperation program included the railway construction, the equipment and experts on the field, the buildings and workshops needed for the construction and a train-

ing school. The program finally was an interest-free loan and the amount of 143 million dollars repayable in thirty years (Shelton and Kabemba: 2012).

The third phase includes several modern cooperation plans, such as rehabilitation of farms or implementation of new factories. The most relevant item is the implementation of special economic zones (SEZ) in five different countries of Africa. The SEZ are characterized as a limited part of fully-industrialized area with a special administration that lessened the tax to encourage foreign investment, which was guided by the Chinese government, the local government, and one big Chinese company with an expertise in the field. These SEZ have been placed in Zambia, Egypt, Nigeria in Lekki and Ogun, Mauritius and Ethiopia. The Chinese government is in charge of the funds and the marketing of the SEZ in China. The Chinese companies design the business models. The African Governments provides incentives for the development of these SEZ and regulate its activities (Brautigam and Xiaoyang: 2011).

As observed, the outline of every phase changes depending on the historical context. Today, even the international cooperation is organized between Africa and China, as it will be explained in the next point.

### ***3.3. INTERNATIONAL COOPERATION***

The Sino-African cooperation does not stop in the national level. It has expanded to the multi-national cooperation with the foundation of the Forum of China-Africa Cooperation (FOCAC), which involves all the African states and China; and also in a global level, the South-South Cooperation, where developing countries held economic alliances together.

#### ***3.3.1. FOCAC***

The FOCAC convention was founded in 2000 and was introduced as a development partnership. Following the Win-Win movement, all the FOCAC relations are accorded in terms of no-intervention in internal affairs. The main aim of the forum is to establish a long term cooperative relationship between the African countries and China. It also focuses in peace affairs, security, diplomacy, cultural exchange, and development. The conferences of FOCAC take place every three years, and they are held in Africa and China alternately.

The forum has been under a process of progression. Since 2006, every conference increases the extent of the commitment made in the last forum, and these

can have deadlines or be cumulative. For example, the commitment of China in investment rose from five billion dollars in 2006, to ten billion dollars in 2009 and to twenty billion dollars in 2012 (United Nations Development Programme China:2015-14). It also gradually increases the zero-tariff treatment to exports from developing countries, setting up agricultural demonstration centers and hospitals, or placing the Special Economic Zones. Every FOCAC has twelve priorities areas of cooperation that can change between different conferences. The most common priorities are energy and natural resources, agriculture, climate change, finance, trade, development assistance and debt relief, investment and enterprise cooperation, education, public health, infrastructure, think tanks, academia and technology or industrialization.

Although the FOCAC is very important for the bilateral relations between China and Africa, it is not the only partnership forum that China attends. China also has partnerships like the China-Pacific Island Countries Economic Development and Cooperation Forum; the Forum of China and the Community of Latin American and Caribbean States or ASEAN+3. The investment made can be less important but, still, FOCAC is a useful tool that empowers the connection not only between China and Africa but also within African countries.

### *3.3.2. SOUTH—SOUTH COOPERATION*

The South-South Cooperation (SSC) initiative arose from the Bandung Conference in 1955, where development countries and ex-European-colonies assembled to promote collaboration and global interdependence with a mutual benefit without any obligation or tension caused for colonialism. Even if the first cooperation collaborations started after the Bandung Conference, the idea of the SSC was not strongly activated until the 90's when the advanced developing countries could offer sustainable and low cost solutions to other less developed countries. For instance, India sent pool expertise to African farmers to deal with the access water with boreholes. Instead of asking a Western country of some expensive engineers, the countries preferred to ask to other developing countries.

This cooperation model does not have a specific basic model of exchange or trade since the economic growth and various sizes of the former countries. Then, the most common way of helping each other in terms of SSC is a financial aid and development assistance or trade. Because most of the advanced developing countries understand the less developing countries' precariousness, nearly all of the SSC countries pre-

fer to offer a knowledge transfer or a technical cooperation instead of financial projects (Kakonge: 2014).

The main role of China in this international interconnectivity network is to boost the less developed countries (LDC) with several cooperation models: large infrastructures, the promotion of the establishment of sustainable Chinese businesses that can bring some knowledge to the local workers or that respect environmental issues and labor rights or regional engagement with forums for the poverty reduction or the climate change (United Nations Development Programme: 2015). These infrastructures can be research centers for the climate change, hospitals, funding for Chinese companies to establish a Chinese factories, railways, routes, and etc.

Due to the exchange of infrastructures for natural resources between African countries and China, the dragon's motherland has been accused of neo-colonialism. In some perspective, the collaboration programs might look unequal but, as augmented in the research report by Hanauer and Morris (Hanauer and Morris: 2014) called "Chinese Engagement in Africa", most of the African countries can just offer natural resources to trade, like oil or minerals, so most of the western countries do not consider to do any investment in countries like Nigeria or Angola, for example. The thing is, Chinese private sector is interested in low-cost manufacturing force and African countries require investment and job creation, so at the end, a bilateral beneficial relationship can work.

## 4. SINO—SOUTH AFRICAN RELATIONS

The Sino-South African partnership is particularly important since South Africa is the largest economy in the African Continent and shows more dynamism in terms of cooperation than other regions of Africa. Moreover, South Africa is the house of the largest Chinese community and, as mentioned in the introduction, its engagement with China expands to the multinational level as working as partners in the International System with the BRICS group. Many historical and economic factors have made influences in the construction of this strategic partnership. Therefore, this bloc will introduce the main characteristics of the Sino-South African relations.

The first steady contacts between China and South Africa occurred during the last decades of the 19<sup>th</sup> century and the beginning of the 20<sup>th</sup> century. Some small groups from the southern coast of China and some that before established in Mauritius islands, moved to South Africa with the aspiration of finding diamonds and gold. They started to work with the already settled Boer Republics and British Colonies and, these small groups soon became thousands of people. They were formally recruited by the mining companies that arranged an agreement with the representatives of the Imperial China. However, as the colonies' governments decided to repatriate all the Chinese workers in 1905, only a few of them remained and stayed in Johannesburg (Alden and Wu: 2014-199). During the following decades, the relations of the Republic of China with South Africa were strictly subject to its relations with the British Colonies. Later, with civil war between the Kuomintang and the Chinese Communist Party during the Second World War, the South African officials made connections with the Kuomintang and the South African Communist Party, which was aligned with the URSS and supported the Chinese communism.

Nevertheless, when the People's Republic of China broke with the URSS socialism in 1960, searched other groups to ally. Then the Chinese Communist Party built up ties with the Pan-African Congress (PAC) and the Union for the Total Independence of Angola (UNITA) while, at the same time, the URSS was supported by the People's Movement for the Liberation of Angola (MPLA) and the African National Congress (ANC). The animosity did not stop until the end of the Apartheid regime, when South Africa found itself in a diplomatic isolation situation and was looking for new partners to engage with. China was considered as a good option and, even if the Kuomintang supported the ANC during the Apartheid, China was expanding its influences around the world. In the end, the ANC decided to grant the two governments with

a “dual recognition”. Beijing and Taipei entered in a competition for attention from the African National Congress. Seeking for international support, both countries competed in aid, investment and trade. Finally, South Africa could not ignore China’s economic power and committed for Beijing’s recognition. In January 1<sup>st</sup>, 1998, the formal and official diplomatic relations within South Africa and China were set up. In 1999, Nelson Mandel visited China to thank China’s support during the Apartheid and praised for the promoting of a mutual benefice.

Since then, South Africa and China worked in their partnership to get a win-win situation. The commitment of their relations is the result of the engagement of the ANC with the PRC along with several number of actors such State-Owned Enterprises, Chinese banks and private companies and furthermore, the migration and the intercultural exchange. In this perspective, the analysis of their relations can be divided into three main parts: politic relations, economic relations, and social relations.

#### ***4.1. POLITICAL RELATIONS***

South Africa and China governments officially established their diplomatic collaboration on the 1st January of 1998. Since then, the two countries worked on bilateral cooperation with the aim to maximize their economic benefits. For this reason, when talking about their political relations, it is important to mention about the concept of economic diplomacy (Putman: 1988). The economic diplomacy refers to the spread of the domestic interests through the economy achieving an international balance towards the other countries. One example is the One-China Policy. The Republic of China was a traditional ally of South Africa’s government, but The People’s Republic of China offered better commercial chances than Taiwan, gaining the support of ANC for the One-China Policy (Grimm, Kim, Anthony, Attwell and Xiao:2014)

Following this model, the diplomatic relations between both governments started with a bi-national commission, the Pretoria Declaration (2001), with an intention to develop investment and trade in the mining, manufacturing and the raw materials areas. In order to keep the security and the cooperation, PRC and ANC agreed on the non-intervention principle, and as a result, the second bi-national commission in 2004 searching for a “strategic partnership”, the Southern African Customs Union (SACU), was achieved. With this partnership, South African government decided to grant a “marked status” to China in order to facilitate the bilateral partnership. Through this second commission, both governments reached the following steps after the exploitation

of natural resources: the agricultural trade and the cultural and educational exchanges. This period of formalizing diplomatic ties was quickly reflected in the economic and trade engagement. Both countries especially focused in the extraction of natural resources, manufacturing, international security, and promotion of the development in all levels. Their foreign ministries consulted each other often and collaborated together in the agricultural exports and the education.

However, the first disagreement between both presidencies arose when China started holding the FOCAC and participating in the G-8. The South African president Mbeki considered that China is interested in Africa only as a supplier and this complicates the relations between him and the president Hu Jintao. The tensions between both actors grew further as China developed cooperation movements with Zimbabwe, Angola and Sudan. The interests of Beijing seemed to be divided in eyes of Pretoria, and the security hostility increased and South African businesses started to lose contracts from the Chinese clients.

The situation changed with the exit of the President Mbeki from the ANC in December of 2009. The following president, Kgalema Motlanthe worked to restore the relationship with China lost during the last years of Mbeki presidency (Alden and Wu: 2014-199).

Later, China decided to answer the problem with the Beijing Declaration in 2010. The objective of this declaration is to support each other in the International System with more the cooperation, trade and investment measures (Alden and Wu:2014) and with a presidential change from South Africa, the relations stayed dynamic. The Beijing Declaration became a tie strengthener and helped the two countries to achieve some bilateral measures.

Next, with Jacob Zuma's presidency, South Africa engaged 38 bilateral cooperation agreements with China on trade, mineral exploration, investment and agriculture. With the financial crisis ahead, Jacob Zuma's opted to adopt a Chinese-style development state and called for China to set some domestic economic measures and policies. Maintaining a mature relation started by the Beijing Declaration, China encourages the South Africa to adhere into the BRIC in order to improve its international position. This movement let China gain a partner inside this coalition group.

#### *4.1.1. CHINA AND SOUTH AFRICA AS BRICS' PARTNERS*

In 2010 China aimed to cooperate with South Africa in several different international fields, like in the United Nations, the G-20, the BRIC, international Forums (FOCAC) with the objective to make South Africa more visible in the International System and to give it the opportunity to, from one side, to give her voice about its country, and from the other side, representing Africa's interests. China also wanted Africa in the BRICS group to reinforce its proposals since the African country and China shared a consolidate relationship and sometimes seek for the same objectives in the International System.

In late December of 2010, South Africa enrolled the BRICS group and quickly accepted the idea of a BRICS New Development Bank proposed in the BRICS Summit in New Delhi 2012. The BRICS countries share a similar situation of development, so it is easier to approach and create some policies and measurements for themselves in this cooperative framework.

In the BRICS context, China and South Africa's strategy pursues to fix the inequalities and disproportion in the global distribution of power. In other words, they both want to decentralize the focus of power that the Western Powers and gain multipolarity through better representation of the rest of the world. Another point pursued by South Africa and China is the spread of sustainable development among all the citizens of the world, doing a Top-bottom change and giving examples from big corporations and the governments itself.

It is believed that South Africa's participation in the BRIC countries would have a negative side-effect of neo-colonialism from the other countries of the Partnership, as Africa can offer plenty of natural resources and due the difference of economic and political dimensions with the other BRICS members. However, South Africa has shown that fair bilateral agreement can be made, and also it can ensure its financial part for the infrastructure projects of the New Development Bank (Naidu:2015).

#### *4.1.2. SOFT POWER*

One of the China's strategies to gain the trust and the collaboration of South Africa is using a "charm offensive", also known as Soft Power. The concept of soft power appeared during the Cold War and was used by the USA and by the URSS as well, to sell their own image to the country that they wanted to persuade. There are three kinds of power: coercion, payment and attraction (Fijalkowski: 2011- 2). Soft power

belongs to the attraction, the power to convincing others and it works through the culture, the values, the foreign policies or with direct assistance to the other country.

The Chinese model of foreign relations follows non-interference into the domestic affairs and always pursuing the win-win situation, so the main action taken in South Africa by the Chinese government is the development assistance in the no-economical field. One example of “charm offensive” would be the establishment of Confucius Institute in order to explain the Chinese culture thought the study of the standard Chinese, and, from these Confucius Institutes, grant students with scholarships to students. Another kind of scholarship granted to South African students thanks to the soft power is a short-term training for teachers in China.

Some other ways of soft power are the construction of infrastructures like railways, airports or hospitals. The construction projects gives a value-add to the since it not only offers a new building or infrastructure but also working opportunities for the South African society. Also, the knowledge transfer from Chinese expertise or the training schools for farming and mining or the medical attendance or information about how to prevent VHI (Jianbo, Xiaomin: 2009).

Because of the emergent economic power of China, its soft power can be covered and it might look as less important, but one of the pillars of the Chinese partnership with South Africa is the trust transferred by the charm offensive.

## ***4.2. ECONOMIC RELATIONS***

The economic engagement between China and South Africa has given big results in a very short time. Since 2008, only a decade after the Official Diplomatic Recognition (1998), the Chinese trade with South Africa had a sharp increase in the annual growth up to the 77% in 2011, which can be understood as China being for South Africa the first export and import economical partner. It's hard to analyze and express the economic data between the both countries since 1998 because the statistic inconsistencies, trade via third markets, smuggling, currency fluctuation, the use of intermediaries, etc. Nevertheless, every year there is more dedication for the trade regulation and data collection.

The Chinese and South African trade can be divided in three main parts: direct trade and investment between the governments, trade from private companies which access to the trade market through the government or the Chinese banks; or investment from Chinese banks, as it will be explained below.

#### *4.2.1 TRADE AND INVESTMENT PROJECTS BETWEEN GOVERNMENTS*

The economic relation between the Chinese and South African governments changed with the fast growth in trade. This fact is due to the South African recognition of China as a potential market and granting to the dragon's motherland the market status in 2004. From this point, the Chinese and South African economic relations intensified and improved so rapidly that China took the position of the USA as the largest bilateral trading partner for South Africa. Another reason that helped China to be the largest partner is its survival to the global crisis. While the European countries and western organizations suffered from the financial struggle, China could protect its country and overcome it. The impossibility for the Western countries to trade at the same level as before, gave China the opportunity to take their place. Thanks to this advantage, China exports arouse, fact that made the South African trade balance be in negative (2010) (Alden and Wu: 2014-199).

Apart from the negative balance in trade, there are other concerns such as the low imports by China of anything no related to minerals, metal based products, textiles, precious and semi-precious metals, stones, wood or agricultural products. From the other hand, China exports to South Africa value-added products, such as computers, clothing, vehicles and printing machinery. Therefore, the trade balance for South Africa is negative because of the high cost of the imported good from China.

Nevertheless, there have been attempts to equalize the trade balance and solve the problem.

Three years later, in 2013, the problem was not solved yet but both presidents opted to concentrate their efforts into the implementation of bigger supplement of mechanisms programs to help the investment in other ways.

##### *4.2.1.1. INVESTMENT*

What strengthened the bilateral relations between PRC and ANC is the growth of the trade in South Africa by investment and aid projects. China's investment increased since 1998, when the Chinese government decided to grant South Africa with three hundred million dollars to eight hundred millions in 2010. Despite the big amount registered in 2010, if it is compared with other countries' FDI, China's contribution becomes modest. For example, the South African Reserve Bank reports that the investment of China during 1998 to 2010 was 5,077 million of dollars while the USA con-

tributed to South Africa with an 11,711 million dollars and Europe invested 124,269 million of dollars. It might to be said, that China isn't a developed country yet but it could easily increase its capacity of investment.

On the other hand, most of the inversions come from big Chinese companies are exclusively interested in the extraction sector. This investment is carried out by many Chinese companies with experience in the extraction field such as Zinjin Mining Group or Sinosteel. The mining companies are granted by the Chinese government with funding or helped by ANC with the taxes and normative. Another sector that nowadays gets through a rise of investment is the agricultural sector due the growing concern for food security within the Chinese society. However, most of the Chinese companies decide to focalize their investment force in the extraction sector, which is translated to a disequilibrium in South Africa's other sectors.

#### *4.2.1.2. AID*

Aids are another way of doing partnership within two countries. The central characteristic of an aid is the transfer of resources between governments without searching for a reward, having altruistic purposes.

The main difference between investment and aid is the control of the aid by the Development Assistance Committee (DAC) from the Organization for Economic Cooperation and Development (OECD). The aid program, funding, etc. is still done between both governments, but they must follow some norms and report about their Aid. China procures its Aid with grants, zero interest loans, debt relief and concessional loans. The grants are those related with the scholarships, medical teams, construction of buildings such as hospitals or schools, farming assistance, aid material, etc. The concessional loans are granted by Chinese banks but are also counted as aid.

By the end of 2009, the Chinese Government provided 37.7 billion of dollars in aid to foreign countries along with 15.6 billion of dollar in grants, 11.3 billion dollars with interest-free loans and 10.8 billion dollars on concessional loans. From all this help, the 46.7 per cent is destined to Africa. Chinese government controls its aid with five-years plans organized by the Department of Aid to Foreign Countries in the Ministry of Commerce (Brautigam:2011).

#### *4.2.1.3. FTA*

Another mechanism tried by the Chinese government to get a better partnership relation was a Free Trade Agreement (FTA). The first FTA was planned to start in 2005 and it

was held between the PRC's government and the South Africa's Department of Trade and Industry (Alden and Wu: 2014-199). Beijing defended that the FTA would help South Africa to equalize its negative trade balance, also to introduce new investment into the mining sector attracting important Chinese companies and generating employment for the local people. However, the ANC received advice from other countries of the Southern African Customs Union (SACU) to ask for more gains for its country, but both governments were not able to find a solution for a FTA agreement that positively impacted to both actors. Nowadays, there is no other FTA arranged between these two countries, therefore, the Chinese government used alternative ways, like the Chinese banks, to get along with South Africa and work on the relations between these two countries.

#### *4.2.2. CHINESE BANKS*

The role of the Chinese Banks in South Africa are diversified between the common offer of services to Chinese immigrants in South Africa, to the South African society and to middle size and small size enterprises either from China or South Africa; and working for big corporations and directly for Chinese Government. The Chinese banks as ICBC or Exim Bank not also have the responsibility to confer concessional loans to the South African government but also carry out financings projects.

Sometimes, the Chinese banks also financed the local banks in order to help them to expand its influences in South Africa and Africa or just engage to offer a better funding coverage to the South African society. One case of these banks' engagement was the ICBC and the Standard Bank, one of the most important in South Africa. These two banks destined 400 million dollars to invest in the South African e-market (Meyer, Alao, Alden and Alves: 2011-103). On the other hand we have the China Exim Bank or the China Development Bank and, as the ICBC is in charge of the banks funding, the China Exim Bank and the China Development bank are focused on different finance projects. For example, the China Exim Bank used a 5 billion dollars to support the Chinese enterprises' development in South Africa (2010) or also offers short-term credits to Chinese exporters and long-term credits to South African importers (Brautigam:2011). The other side, China development bank invests in house projects and infrastructures (2007) and also had the funding of 5.6 billion of dollars to finance 35 commercial projects with loans (2010)

### ***4.2.3. CHINESE COMPANIES***

The biggest Chinese companies which the government considers appropriate to become a competitive multinational, are granted with the permission of offer strategic credits lines to support their field of action in South Africa. These strategic lines combine of export seller's credits, export buyer's credits, loans and import credits with which can give a foundation to the local government. For example, ZTE gave a funding package of 10 billion dollars in 2009 for a technological project (Brautigam: 2011).

All the companies chosen by the Chinese government are also granted with a direct funding from the government destined to invest in their own field of action. For example, Sinosteel can offer foundation in the extraction area and Hubei SFE in the agricultural field.

## ***4.3. SOCIAL RELATIONS***

### ***4.3.1. HISTORY OF THE CHINESE MIGRATIONS***

The social level of the relations between those two countries is represented in the demographic field. Migrations from China to the South African country started in 1660, when the Dutch East India Company took Chinese convicts and slaves to work in the Transvaal's mines or in the railway construction or later, with some artisan, laborers and contracted miners that were transported to Transvaal and then returned to China until year 1910. Just some of those workers integrated to South Africa's society and never returned home.

Chinese had a small representation in the South African population but still, they were noticed by the government when in 1948 the National Court established the measures of racial segregation (Lafargue: 2012), the Apartheid, dividing the society in Black, White, Coloured (mixed-blood) and Indians. This last group had more sub-divisions with the following groups: Malays from Cape, Indians, Griqua, Mixed-Blood from Cape and Chinese. The promulgate dictations of the Apartheid regime restricted to all non-white groups the access to the white zones, and imposed a strong segregation in public places; but Chinese remained in a better situation than the black population. The main reasons of this positive distinction were a non-enrolment of the Chinese minority to the political movements and thanks to their commercial representation (Park: 2009)

After the Apartheid, during the modern era, Mao Zedong sent in 1950 a group of 150,000 people formed by technicians and agriculturists, with the aim to consolidate the South Africa-China bounds. These workers were sent to build the Tanzania-Zambia

railway, and after the realization of this project, most of them where back to the Mainland. Later, with the economic reforms, some Chinese entrepreneurs based their companies in South Africa willing to enlarge their fortune.

Nowadays the migrations flow from China has risen very quickly. The principal cause of this fact is the low regularization of the immigration and the illegal entrance of people to South Africa. Additionally, a big part of this immigration group are workers displaced to work with their companies in South Africa, or people who could get a visa to work in some constructions projects form the PRC. Another percentage comes through false visa agencies, family and friends connections or tricked by human traffickers (Park: 2009).

#### *4.3.2. CHINESE DEMOGRAPHIC REPRESENTATION*

In the Chinese minority in South Africa can be identified three different groups of population. The first one is the South African-Born Chinese (SABC). This group comprises the old migrants who have never gone back to the Mainland and the Taiwanese citizens that moved following the same patterns. Nowadays this group represents the elite in South Africa as they hold the most important businesses. The second group can be identified as the immigration flow placed in the late nineties, after the official establishment of China-South African Diplomacy. Most of this group's people come from the Jiangsu and Zhejiang provinces, the traditional emigrant regions of China, and the displacement is produced aiming for new business opportunities. This collective has a big significance in the South African-Chinese economic relations due most of them based in South Africa as wholesales ore distributors of Mainland's products. The third group is formed by a wave of peasants and small-companies owners from the Fujian province. Most of people from this third group came through an illegal way or thanks friends or familiar relations, and due their lack of English, is the less integrated Chinese group in South Africa.

#### *4.3.3. XENOPHOBY*

Since the migration flow of Chinese people increased in the last two decades, the xenophobic violence against the Chinese population also raised. In the South Africa history the violence against foreigners has been a topic directly related to the unemployment. South Africa society is especially sensitive regarding the employment due a big part of the South Africa society owns little retail shops and stores and there is a big

competition. With the massive arrival of Chinese groups with the enough capacity to start little businesses, the South African society felt attack and soon appeared xenophobic hatred to those who came to “take away” jobs from the South Africa people’s hands.

Nowadays the situation for the Chinese population has changed a little bit. The main reason is because those little stores established by the Chinese groups in their arrivals has enlarged and now are big business which offers Chinese products, therefore the competence between the South African products is no longer standing. The second main reason is the integration from these Chinese communities within the South African society. This integration revealed to the native population the importance of Chinese people as a contributor of the South African economy. With the acceptance of the Chinese community, the xenophobic attacks decreased and nowadays are just a few.

## 5. CONCLUSION

In this research paper, it has been studied the China's strategic partnership with Africa with a special case study of the Sino-South African relations.

It has been reviewed the Chinese foreign relations framework for a better understanding of the Chinese display in the African Continent and South Africa. It has been seen in this section that Chinese foreign relations are based in the Bandung Conference's Principles which also stands up for the non-interference on the domestic affairs of the other partner country. Besides, the Chinese pursuing of a one to one relation comes from the abuse of the Western Colonies during the late 19th century and also, because the bipolar power during the Cold War. For this reason, China defends an equal exchange in its strategic partnership and also promotes a non-interference of domestic affairs.

In the followed section, it has been analyzed how China and Africa engaged their partnership. The first objective of China with the African continent was to get more partners in the International System defending the socialism and the communism in the framework of the Cold War. After, with the economic growth of China, the dragon's motherland searched for a partner who could offer the supply of raw materials needed for the development of the country.

One difference between China and the traditional colonies was that it presented itself as a still developing country which searched for a partnership. What the African Continent had found in China is an alternative partner to the traditional colonial countries, which does not care about the political nature of the countries and defends non-interference in the domestic affairs. Through the creation of trade partnerships and also through some cooperation programs, China and Africa both pursued a mutual benefit or win-win strategy. Thus, the main target of China was to get a win-win situation through cooperation programs country by country, and also to encourage the partnership within the African countries with the use of international forum as FOCAC or through the South-South Cooperation movement.

In the last part, it has been done an analysis of the Sino and South African relations in political, economic and social terms. All the research has been effectuated in order to analyze if this partnership has achieved a win-win situation or if it is a case of neo-colonialism.

After the realization of this research, it can be said that the strategic partnership between China and Africa, and closely, with South Africa is not a perfect win-win situa-

tion if is analyzed searching for a symmetrical economic gains. Nevertheless, this strategic partnership seeks for the mutual benefit and this one cannot always be find in symmetrical terms. As it has been observed, most of the cooperation programs between China and Africa or South Africa, for example, exchanges natural resources for infrastructures. Therefore, this partnership cannot be analyzed searching for the symmetrical economical because the exchanged good doesn't has the same value. Moreover, this partnership is based in the mutual benefits providing to the other actor what really needs. Then we are in front of a real partnership because, even if there is sometimes that the two actors disagree with each other, they search for other alternatives. One example shown in the research of this commitment is the FTA between South Africa and China. South Africa disagreed so the FTA was taken back. Hence, the partnership seeks for what both countries need, and, even if it can be seen as an unequal or asymmetric exchange, it has to be remembered that China and South Africa has other options to trade. For example, all the African countries which political regime is a democracy can opt to focus their relations or establish partnership with Europe Union Countries. For those who do not have a democratic regime, they could trade and invest with their own neighbors or countries that share the same political nature.

The South African-Sino relations are even working in the International System where they support each other, for example, in the United Nations conventions or in the decisions between the BRICS group. With a series of events including the Brexit and the election of Trump as the US President, there has recently been an increasing tension of protectionism and lack of cooperation between countries around the world. As a new leading country of the world, it will be desirable for China to lead more partnerships and cooperation among countries as it did in the African continent.

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# 7. ANNEX

## 7.1. SECTION 1

Chinese Development Aid in Africa



Figure 13.2 Years of new aid commitments, China to Africa, 1960–2007



Table: Years of New Aid Commitments, China to Africa, 1960-2007. From Bräutigam, Deborah. (2011). «Chinese Development Aid in Africa: What, Where, Why and how much?» A: Anu Press (ed.) *Rising China: Global Challenges and Opportunities*. Bern: Golley, Jane and Song, Ligang, p. 203-222

## **7.1. SECTION 2**

The Five Principles:

1. China supports the African and Arab peoples in their struggle to oppose imperialism and old and new colonialism and to win and safeguard national independence.
2. It supports the pursuance of a policy of peace, neutrality and non-alignment by the Governments of the African and Arab countries.
3. It supports the desire of the African and Arab peoples to achieve unity and solidarity in the manner of their own choice.
4. It supports the African and Arab countries in their efforts to settle their disputes through peaceful consultations.
5. It holds that the sovereignty of the African and Arab countries should be respected by all other countries and that encroachment and interference from any quarter should be opposed.

Information from: Kane, Thomas. (2001). "China's Foundations: Guiding Principles of Chinese Foreign Policy." *Comparative Strategy* 20:45-55

## **7.3. SECTION 3**

The Eight Principles:

1. The Chinese Government always bases itself on the principle of equality and mutual benefit in providing aid to other countries. It never regards such aid as a kind of unilateral alms but as something mutual.

2. In providing aid to other countries, the Chinese Government strictly respects the sovereignty of the recipient countries, and never attaches any conditions or asks for any privileges.

3. China provides economic aid in the form of interest-free or low-interest loans and extends the time limit for the repayment when necessary so as to lighten the burden of the recipient countries as far as possible.

4. In providing aid to other countries, the purpose of the Chinese Government is not to make the recipient countries dependent on China but to help them embark step by step on the road of self-reliance and independent economic development.

5. The Chinese Government tries its best to help the recipient countries build projects which require less investment while yielding quicker results, so that the recipient governments may increase their income and accumulate capital.

6. The Chinese Government provides the best-quality equipment and material of its own manufacture at international market prices. If the equipment and material provided by the Chinese Government are not up to the agreed specifications and quality, the Chinese Government undertakes to replace them.

7. In giving any particular technical assistance, the Chinese Government will see to it that the personnel of the recipient country fully master such technique.

8. The experts dispatched by China to help in construction in the recipient countries will have the same standard of living as the experts of the recipient country. The Chinese experts are not allowed to make any special demands or enjoy any special amenities.

Information from: Kane, Thomas. (2001). "China's Foundations: Guiding Principles of Chinese Foreign Policy." *Comparative Strategy* 20:45-55