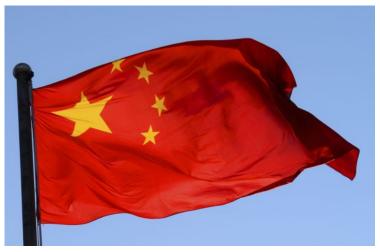
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Comparing China's Engagement in Africa and Latin America

There are substantial commonalities in Beijing's engagement between the two regions, but also differences that provide insights into how China-based entities make, and adapt, policies.

By **R. Evan Ellis** October 21, 2023



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On October 12-13, 2023, the Jack D. Gordon Institute of Florida International University (FIU) hosted an event bringing together Africa and Latin America scholars, to comparatively examine engagement with China across both regions. The discussions highlighted substantial commonalities in Beijing's engagement between the two regions, as well as differences that provide insights into how China-based entities make, and adapt, policies.

China's public engagement in the two regions is shaped by its globally-oriented policy documents, including the <u>Belt and Road Initiative</u> (BRI), and more recently, the <u>Global Development Initiative</u> (GDI), the <u>Global Security Initiative</u> (GSI) and the <u>Global Civilization Initiative</u> (GCI). China

works hard interacting with its partners to secure statements from them regarding their <u>support for</u>, or <u>participation in</u>, these initiatives as well as reiterating that they recognize Beijing over Taipei.

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<u>2016</u>, and China-Africa white papers in <u>2006</u>, <u>2015</u>, <u>and 2021</u>. In both regions, China's public actions have been fairly consistent with the general intentions set out in these documents.

In its multilateral diplomacy, Beijing's forum of choice has been the Forum for China-Africa Cooperation (FOCAC) in Africa and the China-CELAC Forum in Latin America and the Caribbean. Both are weakly-institutionalized umbrella organizations where China's geopolitical rivals, the United States and European Union, are absent, and where Beijing can advance its own agenda, with limited possibilities for the regions to forge collective positions to effectively bargain with China.

With both FOCAC and the China-CELAC forum, Beijing created a structure that meets every three years at the head of state level, each time producing a roadmap for the region's cooperation with China for the next three years. Both have established eight sub-forums, including on "people-to-people" interactions, and on "young leaders." For Latin America, the remaining sub-forums focus on agriculture, science, and business, whereas in Africa, they focus on health, development, and media engagement, among others. Both groupings also have ad hoc forums that bring together personnel at the ministerial level, and other levels like ambassadorial and director general level, on specific topics, such as security.

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In the commercial domain, China has substantially expanded its engagement with both regions in the past two decades, running a substantial trade surplus with each. With both Africa as well as Latin America, and the Caribbean, China principally purchases low value-added commodities and foodstuffs from regional countries, while selling them a broad array of higher value added, higher technology-content goods and services. With both regions, China exploits hopes for benefit through access to its markets, or partnerships for projects in local markets, to motivate cooperation, and often self-censorship regarding the actions of China government and its companies.

In Latin America, hopes for market access have led governments to seek free trade agreements (FTAs) with China more extensively than in Africa. Latin American states that have achieved or actively negotiated FTAs with China include Chile, Peru, Costa Rica, Ecuador, Nicaragua, Honduras, El Salvador and Panama. In Africa, China's only FTA is with Mauritius, although countries like Kenya and Egypt have shown interest in pursuing their own trade deals with China.

In Africa as in Latin America and the Caribbean, China has used loans, in part, to advance its commercial engagements, with \$170 billion in Chinese policy bank loans to Africa, and \$136 billion to Latin America in the past two decades. In both regions, that lending fell off substantially after 2016. In both Africa and Latin America, China has avoided cooperating with multinational lender groups such as the "Paris Club" to collectively negotiate debt relief for countries that cannot pay. With both Suriname in Latin America and Zambia in Africa, China's position as a "holdout" substantially complicated negotiations with multilateral institutions to renegotiate debt.

In both Africa and Latin America and the Caribbean, China is pursuing access to lithium, including investment in local processing facilities. China's lithium footprint is larger in Latin America, with multiple companies and projects in Bolivia, Chile, Argentina, and Mexico. In Africa, however, a Jianxi-based company has a project to mine and transform lithium in the south of Zimbabwe. In both regions, in the construction sector, China-based companies are diversifying from state-to-state projects financed by public debt, to also participating in public bids in more strongly institutionalized states, and the use of public-private partnerships (PPP) in which they invest some of their own capital, and take on a longer-term role in the project.

In both <u>Latin America</u> and the Caribbean and Africa, China-based companies have expanded their presence in electricity transmission and generation, particularly in <u>renewable energy</u>. Chinese companies have a leading position in the electric car and bus market <u>in Africa</u> as well as <u>Latin America</u>. In both <u>Africa</u> and <u>Latin America</u>, China-based companies have dominated sensitive <u>digital sectors</u>, including 5G, but also in other telecommunications infrastructure, having built <u>70 percent of Africa's 4G infrastructure</u>.

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architectures, while Chinese surveillance systems companies including <u>Hikvision</u> and Dahua have a dominant presence in the commercial market.

In both regions, China has established Confucius Institutes, with <u>44 in Latin America</u> (10 of those in the Caribbean), and <u>56 in Africa</u>. China builds connections with youth through scholarships for study in China, and a range of other "people-to-people" programs bringing <u>thousands</u> of <u>journalists</u>, academics, and government personnel to China for often lavish interactions. In both regions, China works at the local as well as national level, including <u>sister city relationships</u>, and courting mayors and other subnational-level officials who often have more latitude than national-level figures to accept Beijing's generosity for themselves, their families, and their communities.

In the space domain, China has launched <u>five satellites</u> for African countries and <u>12 for Latin America</u>. It has also help construct ground

control facilities in <u>Venezuela</u>, <u>Bolivia</u>, and <u>Ethiopia</u>, among others, and played a key role in training partner nation space personnel in those countries. In both regions, China has established space radar facilities, including in <u>Neuquén in Argentina</u>, and <u>Swakopmund in Namibia</u>.

In security cooperation, China has gone further in Africa than in Latin America, including a <u>military base in Djibouti</u>, regular participation in <u>peacekeeping missions in Africa</u>, and the conduct of some security operations on the ground and in <u>maritime areas</u> there. In Latin America, China participated in one peacekeeping operation in Haiti, <u>MINUSTAH</u>, <u>from 2004-2012</u>, has deployed its hospital ship, Peace Ark, to the region <u>on three occasions</u>, and <u>periodically sends warships</u> and <u>military delegations</u> to visit.

China has <u>sold military hardware</u> to both regions, including <u>fighter aircraft</u>, <u>radars</u>, and various <u>vehicles</u>. In both <u>Latin America</u> and <u>Africa</u>, China has used donations to both military and police forces to strengthen relationships and create opportunities for subsequent arms sales.

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China has also regularly brought security personnel from Latin America, the Caribbean, and <u>Africa</u> to China for <u>training</u>. In Africa, China occasionally pays the operating <u>expenses and salaries</u> of security forces. In Latin America, the closest comparison has been <u>payments by Chinese mining companies</u> to Peruvian police to provide private security to their operations. Chinese <u>private security companies</u> are <u>more active in Africa</u> but are beginning to establish a presence <u>in Latin America as well</u>.

Overall, the inaugural FIU Africa Americas event demonstrated that the patterns in Chinese engagement across regions, and associated differences, are worth studying, to better understand Beijing's decision-making, to anticipate the evolution of China's global engagement, and to help each region learn from the other regarding best practices, and how to manage risks and increase the likelihood of hoped for benefits when engaging with China.

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