Chairman Ernst, Ranking Member Heinrich, and members of the committee, thank you for this opportunity to testify before you. Thank you as well for highlighting one of the most important issues facing Africa, and by extension, U.S. interests on the continent. With your permission, I would like to submit my written testimony into the record.

The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

The Challenge of Chinese Engagement


By many measures, China’s current engagement blitz with Africa has made it the most significant foreign actor on the continent. Its lending, trade, and diplomatic engagement on the continent has dramatically increased since the turn of the century, in most cases outstripping other world powers, including the U.S.1 Beijing continues as well to ramp up its various...
“soft power” and military cooperation activities,\(^2\) including arms sales,\(^3\) in Africa.

While all this Chinese engagement is an opportunity for wise and responsible African governments, it is a challenge to U.S. national security interests. I will focus on three of these challenges.

First, Beijing’s activities create an influence towards, and facilitation of, illiberal governance in Africa. This undermines the U.S.’s decades-long attempts to encourage the global growth of democracy. Chinese officials criticize democracy to African counterparts, claiming that the West’s advocacy of it is a Trojan horse to enable meddling in African affairs.\(^4\) Chinese officials have also blamed multi-party democracy for bringing chaos and poverty to Africa, and cheer what they see as the continent’s increasing rejection of Western-style democracy.\(^5\) Chinese diplomats in Africa spread the idea that “economic rights” trump fundamental, individual rights that form the core of any successful democracy.\(^6\)

Beijing also increasingly offers its own model of development—some economic freedom with repressive governance—as a solution for African nations. As early as the 1950s, China at times pushed its economic and political model as the one most suitable for developing countries.\(^7\) Since Xi Jinping’s ascension, Beijing has pursued this course more aggressively,\(^8\) and strengthened its propaganda and other capabilities to make its case.\(^9\)

As part of its effort to burnish its international image and build support for its foreign policy goals, Beijing provides tens of thousands of scholarships to African

---

\(^2\) These include exchange visits of defense and military personnel, training for African military personnel in China and Africa, construction of military training centers, joint military exercises, and a two-week inaugural China-Africa Defense Forum in Beijing June-July 2018.


students to study in China.\textsuperscript{10} Under Xi, Chinese universities require students to take courses that include heavy doses of Marxism and Maoism,\textsuperscript{11} increasing the likelihood that African students in China are exposed to arguments sympathetic to those authoritarian philosophies.

Similarly, Beijing sponsors trips to China for African scholars, politicians, and media professionals. This charm offensive with African intellectual leaders increases the likelihood they will be sympathetic to, and perhaps even advocate in their home countries for, a political system similar to what the Chinese Communist Party (CCP) has created.

Chinese activity facilitates undemocratic governance in a number of other ways as well. Beijing’s supposed no-strings-attached policy makes it easier for governments to use Chinese aid and investment to fuel patronage networks that underpin their grip on power,\textsuperscript{12} and to avoid the good governance requirements Western countries frequently attach to aid and investment.\textsuperscript{13} The CCP’s willingness to unreservedly cooperate with repressive regimes, such as those in Zimbabwe and Sudan, lessens those regimes’ international isolation and likely increases their longevity.

Chinese state-owned or -linked companies frequently bribe African officials and political parties to win contracts and general favor.\textsuperscript{14} Doing so subverts the social contract by tempting African leaders to be more responsive to Chinese concerns than to those of their own citizens. Similarly, the opaque lending and tendering arrangements that characterize Chinese economic engagement in Africa facilitate corruption and insulate leaders from being held accountable by their citizens.

China also exports to African governments the tools and training for repressing their people.\textsuperscript{15} Beijing gave “technical support” https://www.nytimes.com/2007/08/13/world/africa/13chinaafrica.html.

\textsuperscript{10} At the most recent Forum on China-Africa Cooperation, Xi Jinping announced that China would increase the number of government scholarships it offers to African students to study in China from 30,000 to 50,000. “Full Text of Chinese President Xi Jinping’s Speech at Opening Ceremony of 2018 FOCAC Beijing Summit,” Xinhua, September 3, 2018, http://www.xinhuanet.com/english/2018-09/03/c_129946189.htm.


\textsuperscript{15} Chinese President Xi Jinping recently remarked at the China-Arab State Cooperation Forum, “China will investigate extending a total of one billion yuan to countries in the region, to support the relevant countries build [sic] ‘social stability’ capacity.” “Social stability” is the goal the Chinese government says it is achieving through its program of repressive surveillance, indoctrination, and mass incarceration in Xinjiang. Matt Schrader (@tombschrader), “The translation: “China will investigate extending a total of one billion yuan to countries in the region, to support the relevant countries build ‘social stability’ capacity” August 5, 2018, 2:23pm, Tweet. For an example of a Chinese official using “social stability” in remarks, see Josh
on issues such as state security to Zimbabwe’s repressive ZANU-PF party, and several of its companies reportedly provided equipment to jam independent radio broadcasts and surveil telecommunications in Zimbabwe. A Chinese company, Cloudwalk, has agreed to provide facial recognition technology to the Zimbabwean government, something it has done for Chinese police involved in the draconian surveillance of China’s Xinjiang region. ZTE, the Chinese government-linked telecommunications giant, provided the Ethiopian regime—at the time one of the continent’s most oppressive—the technology to monitor its citizens’ telecommunications activity. Chinese technicians allegedly helped the Zambian government create a surveillance system targeting political opponents and diplomats as well.

Finally, China provides an implicit influence towards illiberalism merely by being an authoritarian, wealthy country in which hundreds of millions have recently risen from poverty. That record of success is attractive, particularly to African rulers with authoritarian tendencies who see in China an example of how to achieve economic growth while maintaining sweeping and indefinite rule.

Second, China is establishing economic norms on the continent that disadvantage U.S. firms. Chinese companies’ willingness to offer bribes gives them an advantage when competing for contracts against American and other companies that are rightly forbidden by law from offering bribes.


23 A Sierra Leonean newspaper reported in 2015 that corruption—which the Chinese “are
A number of African governments have borrowed recklessly from China, and the terms of those loans are frequently opaque. Irresponsible borrowing is primarily the African governments’ fault, but the Chinese practice of offering easy money with little regard for debt sustainability exacerbates the problem.24 African governments overly burdened by debt will likely be unable or unwilling to launch other projects in which U.S. companies might have been involved, and U.S. companies will be wary of seeking opportunities in a country with an unclear debt profile.

Similarly, Chinese loans are frequently “tied,” meaning that borrowing governments must select a Chinese company to lead the project. One report claims that 70 percent of Chinese-backed contracts are awarded to Chinese companies.25 This leaves fewer opportunities for U.S. firms given that governments have a finite borrowing capacity, which for some governments is increasingly taken up by Chinese loans that primarily benefit Chinese companies.

The present and future opportunities in Africa that U.S. companies risk increasingly missing because of China’s anti-competitive activities are significant. By 2030, an estimated 19 African economies will be growing by 5 percent or more per year, and the continent will likely constitute a $3 trillion economy.26 The African Development Bank predicts that consumer spending in Africa will grow to $1.4 trillion 2020.27 The continent also has 60 percent of the world’s uncultivated arable land, approximately 7.5 percent of the world’s known oil and gas reserves, and the largest or second-largest global reserves of 10 key minerals.28

Third, Beijing’s influence in Africa makes it harder for the U.S. to achieve its national interests on a strategically important continent. Africa touches three of the world’s eight maritime chokepoints, abuts Europe and Asia, and has thousands of miles of Atlantic and Indian Ocean coastline. Powers such as China, Russia, Turkey, Saudi Arabia, Japan, India, and many others are jockeying for influence on

---

24 Beijing’s actions suggest it does not wish to be constrained by international practices on lending. For instance, it has refused invitations to join the Paris Club, a group of creditor nations that abide by agreed standards on such issues as debt sustainability. For discussion of Beijing’s refusal to join the Paris Club, see “Multilateral Economic Institutions and U.S. Foreign Policy,” U.S. Senate Committee on Foreign Relations Subcommittee on Multilateral International Development, Multilateral Institutions, and International Economic, Energy, and Environmental Policy, November 27, 2018, https://www.foreign.senate.gov/hearings/multilate-economic-institutions-and-us-foreign-policy-11272018.
the continent. Furthermore, included in Africa’s share of the world’s mineral reserves are 22 of the 33 mineral commodities the U.S. deems critical to its economy and national defense, and for which the U.S. is more than 50 percent import reliant.29

We are already witnessing the consequences to U.S. interests of China’s growing Africa presence. One study finds that increasing amounts of Chinese commercially-oriented financial flows to countries correlates with those countries voting less frequently with the U.S., and more frequently with China, at the U.N.30

China has increasingly isolated Taiwan, an American ally, in part by luring away all but one of its African supporters. Africans also on average perceive the U.S. only slightly more positively as a model of national development over China, suggesting that one element of American “soft power,” that difficult to measure but important facilitator of U.S. interests, is not as robust as we would wish.

Beijing also built its first permanent overseas military base in Djibouti, nearby to the U.S.’s only permanent African military base. Earlier this year, high-powered lasers emanating from the Chinese base injured U.S. military aviators flying in the area. And while there has been no noticeable effect yet, China’s ownership of Djiboutian debt equivalent to about 75 percent of Djibouti’s GDP31 gives it significant leverage over a country key to U.S. interests in Africa.

China has ample other opportunities in Africa to surveil and harass the U.S. Early this year, a French newspaper reported that Beijing bugged the Chinese-built African Union headquarters in Addis Ababa, and daily exploited its servers. It is a near certainty that Beijing listened to, along with many others, U.S. officials’ sensitive conversations with African counterparts.

Huawei, the company that provided the compromised ICT equipment to the African Union, is one of China’s national champion companies. It, along with ZTE, another major telecom company with close ties to the CCP,32 has built more than 40 telecom networks in over 30 African countries, and national and government networks in more

Concentrate, Tungsten, Uranium, Vanadium, and Zirconium. Variety of sources compiled by author.

29 The U.S. currently imports at least some of its supply of 15 of those 22 critical mineral commodities from China and/or Russia. China dominates the global supply chain for cobalt—necessary for making lithium-ion batteries which may be critical to powering self-driving cars, a potentially massive industry in the near future—50 percent of which is produced in the Democratic Republic of Congo. For the statistics on Cobalt, see Scott Patterson and Russell Gold, “There’s a Global Race to Control Batteries—and China Is Winning,” The Wall Street Journal, February 11, 2018, https://www.wsj.com/articles/theres-a-global-race-to-control-batteries-and-china-is-winning-1518374815?mod=e2tw. The 22 critical mineral commodities found in Africa are Aluminum, Antimony, Arsenic, Barite, Cesium, Chromium, Cobalt, Fluorspar, Graphite, Lithium, Manganese, Niobium, Platinum-Group Metals, Rare Earths, Rubidium, Tantalum, Tin, Titanium Mineral


than 20 African countries.\textsuperscript{33} The Chinese government has also financed, and/or Chinese companies have built, sensitive government installations such as state houses and parliaments in at least nineteen African countries.\textsuperscript{34}

The CCP may lack the capacity or inclination to monitor all the buildings and ICT networks Chinese companies have built in Africa. Yet it would be surprising if they did not create vulnerabilities in the networks that allow them easy access, or bug at least some of the politically sensitive buildings.

**U.S. Strategic Priorities, and How to Achieve Them**

Some elements of Chinese activity in Africa could indirectly benefit the U.S. The increased economic growth that comes from some of China’s engagements positively affects all countries involved in Africa. Beijing also appears more willing to use its influence with some African countries to try to achieve resolution to conflicts, including those the U.S. seeks to end. Chinese medical teams have as well served on the continent for decades, contributing to improved public health on the continent.

In net, however, China’s activities in Africa negatively affect U.S. interests. Since the time of Mao, the CCP has viewed the U.S., with varying levels of intensity according to the geopolitics of the time, as a competitor.\textsuperscript{35} Xi and the coterie of CCP leadership around him appear convinced more than ever that the U.S. is trying to thwart China’s rise to what they believe is its rightful place as an unassailable global power. That suggests the CCP will escalate its many activities that harm American interests, including in Africa.

Three strategic priorities should guide the U.S. response in Africa to this challenge:

1. Buttress democracy against Beijing’s illiberal effect on African governance;
2. Facilitate regulatory and normative environments that ensure U.S. companies’ ability to compete for the continent’s rapidly growing economic opportunities on an equal footing with Chinese companies; and
3. Maintain and expand the status, means, and positioning of the U.S. in Africa to protect its current and future interests.

There is no single means to achieve these priorities. It will take a broad-based, strategic approach that uses all elements of American power. To start, the U.S. should:

- **Focus on achievable goals.** The U.S. should not try to persuade African governments to abandon their relationships with Beijing as they are

\begin{itemize}
\item Guinea, Guinea-Bissau, Lesotho, Liberia, Malawi, Mali, Republic of Congo, Senegal, Seychelles, Sierra Leone, Sudan, Togo, Uganda, and Zimbabwe. Variety of sources compiled by author.
\end{itemize}
unlikely to do so, and because some of the investment and loans China provides does help African countries. The U.S. should instead focus on assisting African countries in striking fair and productive deals with Beijing; ameliorating the negative effects of Chinese engagement in Africa; and providing a realistic alternative for African governments on the projects and in the sectors where the U.S. or its companies have a competitive advantage or strong strategic reason for competing.

- **Craft a government-wide messaging strategy on Chinese activity in Africa.** The messages must be tailored to specific audiences, and be delivered in the spirit of friendly concern from a worried ally. Part of the messaging should include pointing out, in appropriately subtle and sensitive ways, the misleading and self-serving nature of Chinese propaganda, and the routine corruption in which many Chinese companies engage, despite the frequent Chinese rhetoric about pursuing a sincere friendship with Africa. This effort should include seeking, compiling, and publicizing reports of Chinese corruption scandals in Africa.

- **Mobilize the many U.S. civil society organizations concerned about China’s effect on democratic and economic norms in Africa.** Many of these organizations have deep Africa experience, and can help to push back on Beijing’s propaganda.

- **Deepen cooperation with allies whose interests align with those of the United States.** American allies such as Japan and India are increasingly active in Africa, and share the U.S.’s concerns about Chinese engagement on the continent.

- **Prioritize the fight against African corruption.** Corruption is a competitive advantage for Chinese companies. Ideas for ameliorating this problem include helping countries strengthen their civil societies, promoting economic freedom, and elevating the fight against graft as part of U.S. development assistance. The U.S. should also leverage technology and the power of crowds by helping civil society organizations create tools to track and publicize corruption. Apps similar to Waze, which uses crowdsourced information to monitor traffic, could track corruption, and even create heat maps and lists of particularly corrupt government offices.

- **Call on China to abide by its commitments agreed to in the U.N. Convention Against Corruption** that requires countries to establish laws criminalizing bribing foreign officials to gain business advantage. Beijing is unlikely to heed such calls, but they are another avenue by which the U.S. can demonstrate China’s lack of commitment to fighting corruption in Africa.

- **Encourage Beijing and its debtors to abide by international norms on lending and to be transparent about terms and conditions.** The details of Chinese lending are frequently opaque, making it harder for African publics to hold their leaders accountable for economic decisions.

- **Ensure that the new United States International Development Finance Corporation focuses on projects that directly support the U.S.’s efforts to protect its interest from China’s**
challenge. Supporting the U.S. in its strategic competition with China was one of the stated purposes of USIDFC.\textsuperscript{36} Congress should vigorously exercise its oversight authority to ensure it does so.

- **Increase its engagement with Africa and reorient the focus of some extant initiatives.** Such measures should include focusing the U.S.’s overseas development assistance on enhancing countries’ free-market systems and encouraging accountable and competent governance; increasing the efficiency of U.S. aid by eliminating “buy American” provisions and subsidies to U.S. shipping companies that deliver aid; boosting trade beyond the African Growth and Opportunity Act; and making the U.S.–Africa Leaders Summit a regular event.

- **Advocate for foundational American values.** The U.S. should take every opportunity to communicate to African publics and leaders how its system promotes the values proven to best facilitate human flourishing: representative government, rule of law, free markets, and individual freedom.

Thank you again for this opportunity to testify, and I look forward to any questions you may have.

* * * * * * * * * * * * * * * * * * *

The Heritage Foundation is a public policy, research, and educational organization recognized as exempt under section 501(c)(3) of the Internal Revenue Code. It is privately supported and receives no funds from any government at any level, nor does it perform any government or other contract work.

The Heritage Foundation is the most broadly supported think tank in the United States. During 2016, it had hundreds of thousands of individual, foundation, and corporate supporters representing every state in the U.S. Its 2016 income came from the following sources:

- Individuals 75.3%
- Foundations 20.3%
- Corporations 1.8%
- Program revenue and other income 2.6%

The top five corporate givers provided The Heritage Foundation with 1.0% of its 2016 income. The Heritage Foundation’s books are audited annually by the national accounting firm of RSM US, LLP.

Members of The Heritage Foundation staff testify as individuals discussing their own independent research. The views expressed are their own and do not reflect an institutional position for The Heritage Foundation or its board of trustees.