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China's Ambitious African Railways Plan: Reviving Imperial Dreams?

By Loro Horta

Synopsis

In recent years China has invested significant resources in the development of Africa's rail network that could radically transform the continent's economic landscape. China has taken the first steps to resurrect some of the most ambitious projects ever conceived for the continent.

Commentary

OVER THE past decade China has surged into the African continent becoming its main trading partner and investor. While initially Beijing seemed to be primarily motivated by its insatiable thirst for natural resources, its interests have steadily become more diverse and complex. Infrastructure has emerged as an area where China has invested billions and provided large loans to local governments.

In the 19th and 20th centuries several European powers dreamed of linking their vast African colonial possessions by rail. However, these great plans remained mere unfulfilled dreams. As the new great power from the East, China may now be making such dreams a reality.

Expanding railway links

Chinese companies began in the mid 2000's to expand and modernise the Benguela railway in Angola and link it to the neighbouring countries. In the late 19th century Portugal had dreamed of linking its colony of Angola on the Atlantic coast to its possessions in Mozambique on the Indian Ocean which would link the continent from West to East. However, the *Angola a contra costa* project came to an end when the British took control of the territories between the two Portuguese possessions and dreamed of launching their own Cape-to- Cairo railway.

By 2015 Angola and Mozambique are expected to be linked by rail via Zambia covering a distance of more than 1400 kilometres. In eastern Africa China is leading the investment in an ambitious project to link Tanzania, Kenya, Uganda, Rwanda and South Sudan covering a distance of about 2000 km. The rail link will eventually be extended to Ethiopia allowing the landlocked country access to the sea. The Kenyan section of the railroad alone is expected to cost US\$3 billion with China providing most of the funds.

China is also assisting the Democratic Republic of Congo to link its territory with Angola and the rest of southern Africa. In South Africa the government has announced plans to invest significant resources in its rail

network, with China likely to assume a leading role in such investments. If these plans materialise, Africa will be linked by rail in ways never seen before.

Some observers have compared China's growing investment in African rail to the European colonial ambitions of the 19th century. Others have argued that such investments are motivated by China's need to move natural resources to the coast more effectively and reduce transportation costs. However, while the movement of natural resources is a factor that influences Chinese support for African railways, to suggest that this is the main motivating factor and to compare it to the 19th century European plans are rather simplistic.

Beyond natural resource extraction

Firstly, many of the countries where China has invested in railways are not rich in mineral resources. Tanzania, Rwanda and Ethiopia can hardly be described as resource-rich. Many of the railways in which China is investing were proposed by the African governments who then requested international assistance. It is also worth noting that China does not have the monopoly on such projects. For instance South African companies have also gained major contracts in Zambia and Mozambique.

Chinese investment in African railways and other infrastructure is motivated by other commercial interests that go beyond mineral and energy resource extraction. China possesses the largest foreign exchange reserves in the world, most of it invested in US treasury bonds. Owing to the devaluation of the American currency, China lost substantially on its investment. Therefore, Beijing has been eagerly looking to invest its substantial reserves in promising markets. China also believes that modern infrastructure would promote trade and stability in Africa and provide China with numerous trade opportunities.

Today's Africa is made up of independent and sovereign countries that are at liberty to choose with whom they want to establish cooperative relations. China's interest in Africa, while in great part still motivated by its desire to secure natural resources, is slowly moving beyond extractive industries. China has invested massively in Africa to secure a long-term economic partnership and thereby help its stability.

It remains to be seen whether the Chinese dream for Africa will materialise or, if like the dreams of so many other great powers, it will evaporate. As an African saying goes: "In the end everything shall be absorbed by the land."

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