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### **China in Ethiopia: Partners or Neo Colonial Master**

By Dorien Braam in Hong Kong for CAAGLOP (07/01/2008)

After negotiating new extensive deals with the Ethiopian government, more and more Chinese industries launch, grow and expand in Ethiopia. The African country is still lacking to a great extent infrastructure like roads, bridges and railway tracks, and China sees a perfect opportunity to export its knowledge and skills across the Ethiopian land. Not everyone seems pleased with these efforts however, and different groups of protesters, scattered throughout the country, are trying to scare the Chinese off Ethiopian soil. However, abducting, neither killing nor torturing the Chinese workers will get in the way of the Chinese government in its efforts to employ Ethiopia as a new market for its resources, exported products and oil supplier.

Ethiopia is one of the four countries in Africa that benefit from so-called "soft loans" from Chinese banks, a way of financing with a very low rate of interest meant to improve infrastructure. In return, China expects a considerable share of the Ethiopian oil reserve, as well as contracts to buildup infrastructure. Sponsoring 25 billion USD to four African countries – Ethiopia, Nigeria, Angola and the Democratic Republic Congo – makes China the main investor in African infrastructure. The soft loans provide the continent a chance to improve roads and railroads, which could not be achieved without the Chinese aid. Coincidentally however, these four countries have a government distrusted by the Western donors. They benefit notably from the Chinese aid that is been granted without the preconditions of the traditional donors: human rights and transparent governance.

In Ethiopia, one of the main roads in the capital Addis Ababa was constructed by the Chinese Road & Bridge cooperation. As it is an important line for transport through the capital, the economic centre of Ethiopia, it has become a major symbol for the Chinese–Ethiopian friendship. As the company brought in

its own knowledge and experienced workforce, it was possible to finish the project in just two months, a lot faster than the 17 months anticipated by the African client. After the construction of this road other Chinese investors found their way into Ethiopia, and are working hard to change the country with a speed that China itself experienced during the last decades. Ethiopian officials, happy with the money and resources sent in from China, see their new sponsor as a mentor towards development and a job supplier. China is looking at Ethiopia as a new market to export labor as well as cheap consumer goods. As happy as many Ethiopians seem to be with the transformation of dusty tracks into smooth and safe asphalted roads, the invasion of Ethiopian society with Chinese construction companies and other industries in the last three years did not go down all that well with everyone.

In April last year, one of the Chinese oil companies in the eastern Ogaden region of Ethiopia was attacked by 200 militants, and 16 Chinese workers were either killed or kidnapped. This incident is the first against foreign industries in Ethiopia, but just one in a string of attacks against Chinese industries all around Africa. It caused a stir in the intensifying Chinese–Ethiopian friendship, however, the growing concern by Africans about the Chinese activities in Africa and on the other hand uncertainty about future safety of Chinese citizens in Africa will not change the attitude of Beijing towards the growing investments in Africa. Instead of pulling out of Africa or changing attitude towards providing aid, the next step the Chinese government announced, is to provide more security measures to protect the Chinese people not only working, but also traveling overseas.

In another effort to help improve the image of their presence in Ethiopia, China reached an agreement last year to provide assistance in providing scholarships for Ethiopian vocational and technical teachers that intend to study in China. Over the last six years some Ethiopian scholars already received free training in China, but even in this scheme, the Chinese intentions are almost too obvious. While providing scholarship placements for Ethiopians, China sent more than twice as much Chinese tutors to the African country in the same period.

The Chinese government is convinced that its cooperation with Ethiopia is based on equality and has mutual benefits. One cannot help but wonder however, if these benefits are really that mutual. China so far refuses to change its policy, and succeeds in ensuring important oil-deals with the African governments, so that it becomes less and less dependent on the Middle-Eastern oil supply and thereby also from other influences. As China is becoming the main sponsor of Ethiopia and many other African countries, it can do more and

more as it pleases. Already the people of Africa show that they will not let all their resources be taken away by yet another foreign power. But the parties involved should make sure this goes without hostility and indeed with the focus on equality and mutual benefit China stands for.

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