China’s Aid & Agricultural Engagement in Africa

Deborah Brautigam
Chinese Interests in Agriculture

- Economic Diplomacy & Foreign Aid
- “Going Global” – “Going Out”
Diplomacy: China’s Agricultural Aid
From 1960s…to present

- Agriculture = 1/5 of >900 aid projects
- 44 African countries have received ag aid
- > 90 farms; > 48,000 hectares
- 10,000 agricultural technicians
- Long-term commitment: Consolidation
Lambayama Farm: Sierra Leone
Cameroon: Former Taiwan Irrigation Project (from 1960s)
Cameroon: Consolidation
Cameroon: Repair Irrigation System
Cameroon: Reclamation
“Going Out/Going Global”

- 1978 Open Door: “Inviting In”
- 1990s/2001: “Going Out”
- Overseas Investment
- Higher value exports
- Global brands & “Dragon Head” companies
- WTO & urbanization: 20 million farmers
- Food security??
China-Africa Population Densities Compared
Import Substitution & Exports

- Mozambique: imports 400,000 mt rice
- Zambia: Maize, wheat, poultry, livestock for local sale
- Multiple countries: vegetables for local sale
- DR Congo*: large fuel oil/oil palm concession [??]
- Sierra Leone: Sugar exports to Europe
- Senegal, Ethiopia: sesame for export to China

*for more on this, see my blog: chinaafricarealstory.com
Food Crisis & Rise in Prices

- Impact on Chinese business decisions?
- Not to supply China, but to supply Africa
  - African rice imports rose $4.2bil to $10.4 bil
  - This is a big market
Chinese Investors in Zambia 1990

China-Zambia Friendship Farm. Photo: James Keeley, IIED.
Magbass Sugar Complex, Sierra Leone, 1982...2001
China-Africa Tools of Engagement

- Traditional Aid
- China Eximbank: $20 billion 2007-09
- China Development Bank
- China Africa Dev. Fund: $ 5 billion
- South-South Cooperation with FAO
- 400+ products tariff-free entry for Africa’s LDCs (sesame, etc.)

All of these could be used for agriculture, but most are not exclusive to agriculture
Sustaining Aid: Agro-technical Demonstration Centers

- 10 pledged in November 2006
- 10 more pledged in November 2009
- Each operated by Chinese company or research institute
  - hybrid seeds
  - agricultural machinery
  - agriculture universities
Experiments

- Outgrower Model
  - Tanzania: rice
  - Zimbabwe: tobacco
  - Not Sierra Leone: sugar

- Baoding Farmers & Uganda Concession?

- Debt-Equity Swaps
  - Segou sugar Mali
  - Togo, Madagascar
Impact on MDGs?

- Food Access Increased
- More Jobs
- But risk of displacement and resettlement
- Competition with Local Farmers
Cultural Conflicts

- Gender Roles Differ in Africa
- Shifting Cultivation and Usufruct Rights
  - Chinese may think: “Land Everywhere! No One Use it!”
  - Reality may be: Land is lying Fallow everywhere, people will use it later