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China 'not here to dictate politics'

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CHINA would not interfere in policies being developed in countries that it was investing in and would not pull out of investments because a country was perceived to have bad leadership or wanted to nationalise some of its economic sectors, a Chinese delegation said on Friday.

Speaking at a round table hosted by UCT's Graduate School of Business, Chinese representatives said they believed African countries should develop policies based on their own conditions and that China should not dictate politics on the continent.

"We are not cold business people. We are not just purely establishing an interest in African resources for our own development only. We care about the progress of Africa... We don't have ambition to have world super powers," said Ma Zhengang, the former Chinese ambassador to the UK and chairman of the China National Council of Security Co-operation in the Asia Pacific.

Ma said China was not trying to compete with the US or become a dominant world leader. He added that perceptions that it was investing in Africa to exploit the continent's natural resources and that it was arrogant when dealing with other states were flawed.

"People should have a better understanding of China," he said, reinforcing the view that the country supported common development because no one country could develop alone, no matter how big it was.

But he said China wanted to keep the independence of its own foreign policy and that it would not be bound by alliances because they obscured one's judgement.

Professor Wang Yong, the director of the Centre for International Political Economy at Peking University, said China had learnt that it was only through joining the global economy that it could develop, but like other emerging economies, the country was not looking to overthrow the current world order.

"If a country wants to change its policies, if it wants to nationalise sectors of the economy or to redirect it; it should be based on its own terms," Wang said.

John Luiz, a professor specialising in international business and economics at the UCT Graduate School of Business, said people believed that China's embracing of the Western style of capitalism meant that it had no genuine desire to bring about authentic development in Africa.

"(US Secretary of State)
Hillary Clinton in her current
visit to the continent has been
saying statements to the effect
of creeping colonialism from
foreign investments and governments coming to take out natural resources, which everybody

assumed to relate to China,"

"But we need to bring a healthy dose of realism to that debate... Quite frankly China is no worse nor better than its Western counterparts. Its interests in the continent are just that: its interests."

But, he said that concerns about China-Africa relations were that most of China's interests in the continent were at state-to-state level. The problem with deals being sealed at that level was that civil society groups' protests about China's investments perpetuating poor governance and colonialism while yielding limited benefits were often ignored.

Luiz said the lack of a multiplier effect from Chinese deals also meant that it was bringing limited development to the continent. A recent study by the University of London found that 30 percent of contracts in Chinese deals were awarded to Chinese firms and up to 50 percent of equipment, material and technology were also sourced from China.

Sanusha Naidoo, a researcher at the South African Foreign Policy Initiative – Open Society Foundation, said South Africa should be cautious about shifting its economic focus from one region to another. She said it should question what China would do if its economic interests were threatened and how it would deal with levels of instability in Africa as it matured.