Impact of Globalisation on Rare Earth: China's co-optive conquest of Colongese coltan

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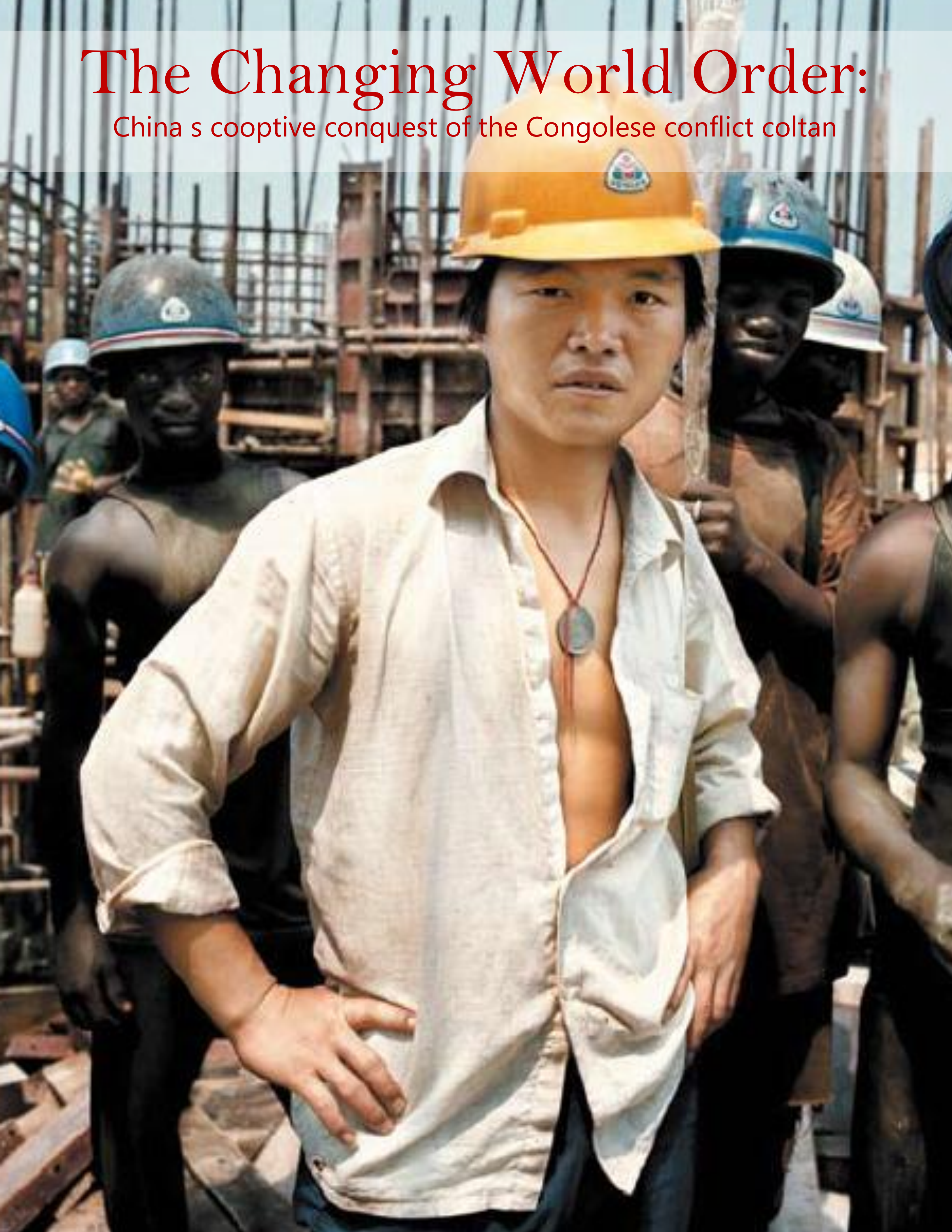
The Changing World Order:

China s cooptive conquest of the Congolese conflict coltan



Captivated by Chinese cunning confidence—international leaders watch out for the ramifications of her African affairs and the changing world order. In respect of the Sino-Congolese Co-operation Agreement, China on the overall appears to be more that of a developmental partner and far less a cruel conqueror. Several analysts suggest that the relationship is more balanced than one might have presumed. Notwithstanding, the pressure particularly put on the Democratic Republic of Congo as a laboratory for economic advancement, is for the rest of the region to appreciate whether the Chinese framework for development can rationalise authoritarian rule in the reconfigured global landscape, by contrast of democracy.

The China-Africa relation is one good leap from the Beijing economic reforms. It begins with the practical perspective for solutions in the quest for potential sources of raw materials to sustain country industrial growth. Africa is but right.[1]

Subsequently, the logic to leverage in the age of Globalisation, through deepened integration of the Chinese economy in cross border trade, travel and tradition. By so doing in just one decade of barter, China became the leading trade partner of the African continent with a total market share of 10.4% and over 800 Chinese companies doing business with 49 African nations. This marked a tenfold increase accomplishment that outperformed the GDP growth in the mainland.[2] Trade infrastructures stipulated in bilateral agreements between Governments, or joint ventures between state owned enterprises, are to serve as an alternative eco-political strategy to induce structural adjustment, speed up modernisation, strengthen capacity, broaden the scope of scientific exploration, alleviate humanitarian conditions and curb armed conflicts.[3]

Despite a strong resentment of the Congress of South African Trade Unions Cosatu, for fear of market infiltration, China gestured meaningfully with the revocation of bilateral debt of 31 African countries to the value of about USD1.27b. Aside all these she continuously participates in financing development initiatives.[4]

Clearly, China has explicit interest in African mineral wealth and has taken action. Whether it is to be understood as a novel approach to redress the issues on marginalisation or a starkly bad deal in the long term, the magnitude and impact of this relationship cannot be ignored.[5] What has changed in the Democratic Republic of Congo are the following: Minerals magnitude, investing infrastructure, defence strategies for conflict containment, finally labour and workplace betterment. And for other nations up for the same lesson, a mind-set change.

Tenth anniversary stamp of the new regime in 1975, the DRC then known as Zaïre issued a postage stamp depicting the historic meeting between President Mobutu and Chairman Mao (Source, Putzel L and Kabuyaya N 2011).

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[1]Wasserman H (2012) China in South Africa: A long affair, Africa rising, pp 32-35
[2]Daly J (2009). Feeding the Dragon, Chinas quest for African minerals, Washington: The Jamestown Foundation pp. 78-85
[3] Zeleza, PT. 2008. Dancing with the Dragon, Africa' s courtship with China. The Global South 2(2), pp. 171-187.
[4]Wasserman H (2012) China in South Africa: A long affair, Africa rising, pp 32-35
[5] Le Pere, G and Shelton, G. 2007. China, Africa and South Africa. Midrand, South Africa, Institute for Global Dialogue.

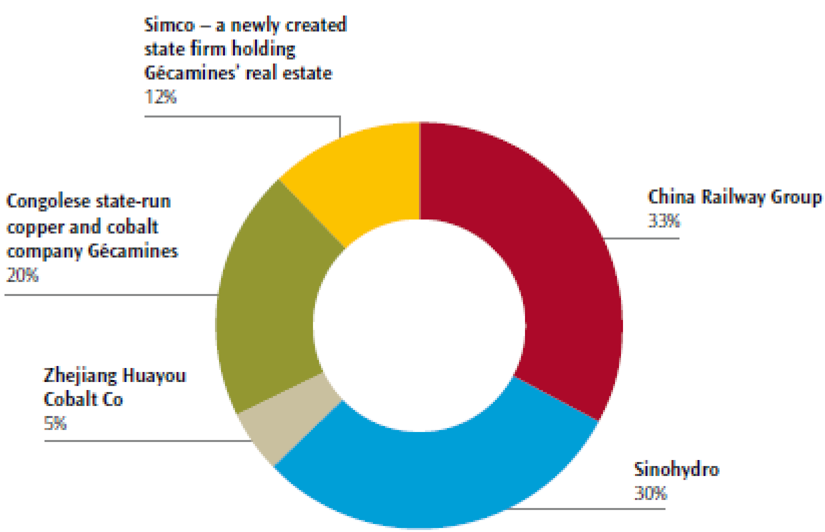
A VENTURE WORTH

How did China achieve such a dominating role in Africa, in the DRC especially?
What did they promise the DRC government?

The very first Chinese-Congo Agreement was in the form of a Memorandum of Understanding forged in Beijing sometime in 2007. This was followed with a thorough agreement the following year, between Congo and two state owned enterprises: China Railway Group Ltd and Sinohydro Corporation.[6] The agreement mandates the full cooperation of the Export Import Bank of China.

In a straightforward manner, China vowed commitment for the mobilisation of funds to be used for the construction of infrastructure: roads, railways, airports, power stations, housing projects and hospitals –and for the development of the mines. Repayment of these investments is to be in the form of cobalt and copper deposits extracted from the Kolwezi region located in the south eastern province of Katanga.[7] Kolwezi is one of the richest areas producing cobalt and copper, and is the homeland of Congolese magistrate Kabila.

This agreement stipulates the Congolese Government enterprise Gécamines to give out deposits containing up to 10.6m tonnes of copper, and specifies further a volume between 425,000 and 625,000 tonnes of cobalt.[8] Other mineral substances and deposits capable of being developed were promised. Mines sites prospect an investment of about USD3b. The first USD375 million profit to be derived from Sicomines operations by 2013 is to be appropriated for repayment priority infrastructure projects. 85% of the Sicomines profits in excess of the first USD375m are appropriated for the repayment of the mining loan followed by the rest of the infrastructure loan.



Shareholding of mining venture
(Source, Global Witness 2011)

[6] Xinhua (2008). Chinese peacekeepers return home from DR Congo
[7] Collaborative Agreement, April 2008, p.5.
[8] The mineral deposits are listed as: Dikuluwe, Mashamba West, Jonction D, Cuvette Dima, Cuvette Mashamba and Synclinal Dikuluwe Colline D. Collaborative Agreement, April 2008, p.8

The remaining 15% of the Sicomines profits above the USD375m threshold is to be divided among the shareholders of the joint venture. Congolese representation comprised of the National Security Advisor Pierre Lumbi, the former Minister of Infrastructure, the Minister of Mines Martin Kabwelulu, Gécamines CEO Paul Fortin and representation from the Office of the President: Oversight of the Congo-China Programme Coordination Office Moise Ekanga.[9] Lumbi is the sole Congolese Government signatory, and the eminence grise Augustin Katumba Mwanke who consulted the entire negotiations on behalf of Government.

Although the full renegotiated contract has not been published to this date, its review turned out as a high risk engagement that the World Bank and the International Monetary Fund IMF urged for contract renegotiation.[10] The Fund postponed approval of a debt relief loan pending the revision on the infrastructure-for-minerals agreement with China, on the basis that the agreed terms effectually raises the Congolese debt burden. In other words the Sino-Congolese agreement does not bring DRC into a debt sustainable position. Alterations were made on the debt relief loan which is a public guaranteed debt that slithered to about USD4b from USD13b, and the infrastructure-for-minerals agreement with China was slashed to USD6b from the original amount of USD9b. An issue of relevance is that the debt relief program stipulates financing assurances by the Paris Club of nineteen creditor nations, and includes Canada. Canada looked into international arbitration for the resolve on a disputed Congolese Government decision to cancel a copper and cobalt project of the Canadian miner First Quantum. [11]

As far as World Bank and IMF are concerned, it was widely presumed these organisations stood with the West to oppose the investments of China in Africa. More since the resource contract renegotiations occurred slightly before the first Congolese presidential election in 2006.12 Other predicaments include the White House lobby for the Congolese Government to sign a moratorium contract with the US mining company Phelps Dodge. In the later year, the American corporate lobbyist turned up VP for US Government relations in Africa.13 It is interesting to note that the renegotiated agreement through the intervention of IMF has significantly reduced Chinese obligations by 33%, and the Congolese infrastructure benefits by 50%, but has not touched the scope of the mineral reserves ceded to the Chinese Government China, apparently unchanged: copper extraction of 10m tonnes and 600,000 tonnes of cobalt, short of saying China gets access to mineral reserves worth over USD50b.14 The forecast revenue on coltan, cobalt and copper could be anywhere between USD40b and USD120b, excluding interest and capital repayments and the cost of operations. The variables on extraction depend on the degree of accessibility and grades of the ore, which in the actual exploit can affect this forecast.15

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[9] Le Potentiel (2010). J. Kabila remanie le gouvernement et son cabinet// World Bank representatives (2008). Global Witness interview with former official within the Presidency, Kinshasa// Interview with Faustin Kuediasala

[10] Brussels Institute of Contemporary China Studies (2009). Asia Briefing: China’ s true intentions in Congo// BBC website (2010). Democratic Republic of Congo country profile// Nzongola-Ntalaja G (2010). The Congo from Leopold to Kabila: A People’ s History, Zed Books

[11] Mining Journal Special Publication (2010). Fast improving risk-reward balance, The Democratic Republic of Congo// <http://www.miningweekly.com>

[12] DR Congoto adapt China deal to appease IMF (2009) <http://www.cartercenter.org/documents/drc_mining_contracts_113007.pdf>

[13] Evidence of grand corruption mounts in Beijingsshowcase USDb barter deal (2008)

[14] Lee P (2010). China has a Congo copper headache. Asia Times <www.atimes.co http://www.atimes.com/atimes/China_Business/LC11Cb02.html>

[15] Wild F (2010). Congos Sicomines confirms extent of copper find. Collaborative agreement, Appendix ABloomberg,

At the request of the Congolese magistrate for a minerals contract review by the Carter Center, a dispiriting picture of "Chinese greed, opportunism, and apparent self-dealing at the expense of one of the poorest countries on earth," was critiqued.[16] The fault is on the 2008 Chinese deal that had promised a signing bonus of USD350m on top of the USD9b infrastructure-for-mining-agreement, for entitlement of 32% shares of the Government enterprise Gecamines.[17]

Thus the blockbuster USD9.25b resource-for-infrastructure agreement officially proclaimed as the Sino-Congolese Co-operation Agreement or SCCA, stipulates USD6b on infrastructure and USD3.25b for mining assets. Chinese state owned companies are to invest in the priority infrastructure in order to possess rights to nearly 6.8Mt of copper reserves and 627,000t of cobalt. Unfortunately Congo endured a plunge in the prices of copper and cobalt early on 2009; inflation spiked 100% up to midyear, and the exchange rate depreciated by 45%.[18] Encompassing these events, the facts can be filtered against the backdrop of the soaring prices for oil and gold that has helped lift the overall African GDP since 2000[19] and induced the expanding urbanisation of 4.5% annual change. These trends are forecast to remain the same until 2015,[20] because the mineral resources trade account for one third of the regional economic growth.[21]

Production of Top 15 Gold-Producing Companies, 1999 and 2000
(Source, Cross and Stigson 2002)

Company	Base	1999 (tonnes)	2000 (tonnes)	Employment (2000)
AngloGold	South Africa	215.2	225.3	77,600
Newmont	US	130.0	153.7	10,800
Gold Fields Ltd	South Africa	118.7	121.2	55,000
Barrick	Canada	113.8	116.4	5,500
Placer Dome	Canada	97.9	92.8	12,000
Rio Tinto	UK	92.9	84.9	5,100
Homestake	US	74.3	68.6	n/a
Harmony	South Africa	41.4	66.8	42,600
Normandy	Australia	58.8	64.5	n/a
Freeport Moran	US	74.0	59.1	7,800
Ashanti Goldfields	Ghana	48.6	54.0	10,400
Durban Roodepoort	South Africa	27.7	35.7	19,111
Kinross	Canada	31.3	29.4	1,600
Buenaventura	Peru	23.6	28.5	1,800
Newcrest	Australia	26.3	27.9	n/a

Gold is the heart of African resources. The continent represents 20% of global average yearly production of about 2400MT. The largest gold resource base is in South Africa, producing close to 250MT per annum.[22] Gold is sought after as a safe investment aside industry and jewellery. 35% of gold production goes to safe investment which serves as a monetary protection during periods of high inflation or when the real rate of return on other investment vehicles is low.

[16] DR Congoto adapt China deal to appease IMF (2009) <http://www.cartercenter.org/documents/drc_mining_contracts_113007.pdf>
[17] Lee P (2010). China has a Congo copper headache. Asia Times <www.atimes.co
http://www.atimes.com/atimes/China_Business/LC11Cb02.html>
[18] Mining Journal Special Publication (2010). Fast improving risk-reward balance, The Democratic Republic of Congo
[19] McKinsey Global Institute (2010). Lions on the move: The progress and potential of African economies <mckinsey.com/mgi>
[20] https://www.cia.gov/library/publications/the-world-factbook/geos/cg.html
[21] McKinsey Global Institute (2010). Lions on the move: The progress and potential of African economies <mckinsey.com/mgi>
[22] World Gold Council 2011

China takes lead in the global gold production and is followed by the US, Australia, South Africa and Russia.[23] India and China, together account for half of the gold consumed in recent years.[24]

Gold is likely to lead the growth of minerals trade forecast at 13.7% across the key mining sub-sectors. Gold production is forecast at 25.7% growth resulting new projects from Anglo Gold Ashanti and Randgold in Orientale province. These growth rates however can drastically change as a result of constrained mining activities, for unstable supply of power, poor transportation, deficiency in processing infrastructure, and disruptions from militant groups.[25]

And as expected, the journey of China in Congolese soil comes with unique political frenzy. On the international scene, the impositions of the IMF on Congolese President Kabila for contract adjustments to stipulate USD11b in debt relief and the deferment of the second USD3b infrastructure tranche.[26] At national level, the protest against the mining minister is put forward by 150 members of the national parliament, for participation in the infrastructure-for-mining-agreement. On the local level, a cease operations order on Chinese firms in the export of unprocessed ores was put out by the governor of Katanga. Even at one point, the Sinohydro mining project in North Kivu was ambushed by heavily armed men, in retaliation of serious labour malpractice. This instruction traced back to military renegade General Laurant Nkunda.[27]

UNEP described Congo as the poorest and most violent country on earth. A failed state, rape capital of the world, if not the personification of humanitarian catastrophe. But beneath the surface its dark earth holds USD24 trillion worth of coltan, cobalt and, the blood and bones of information age manufacturing. [28]

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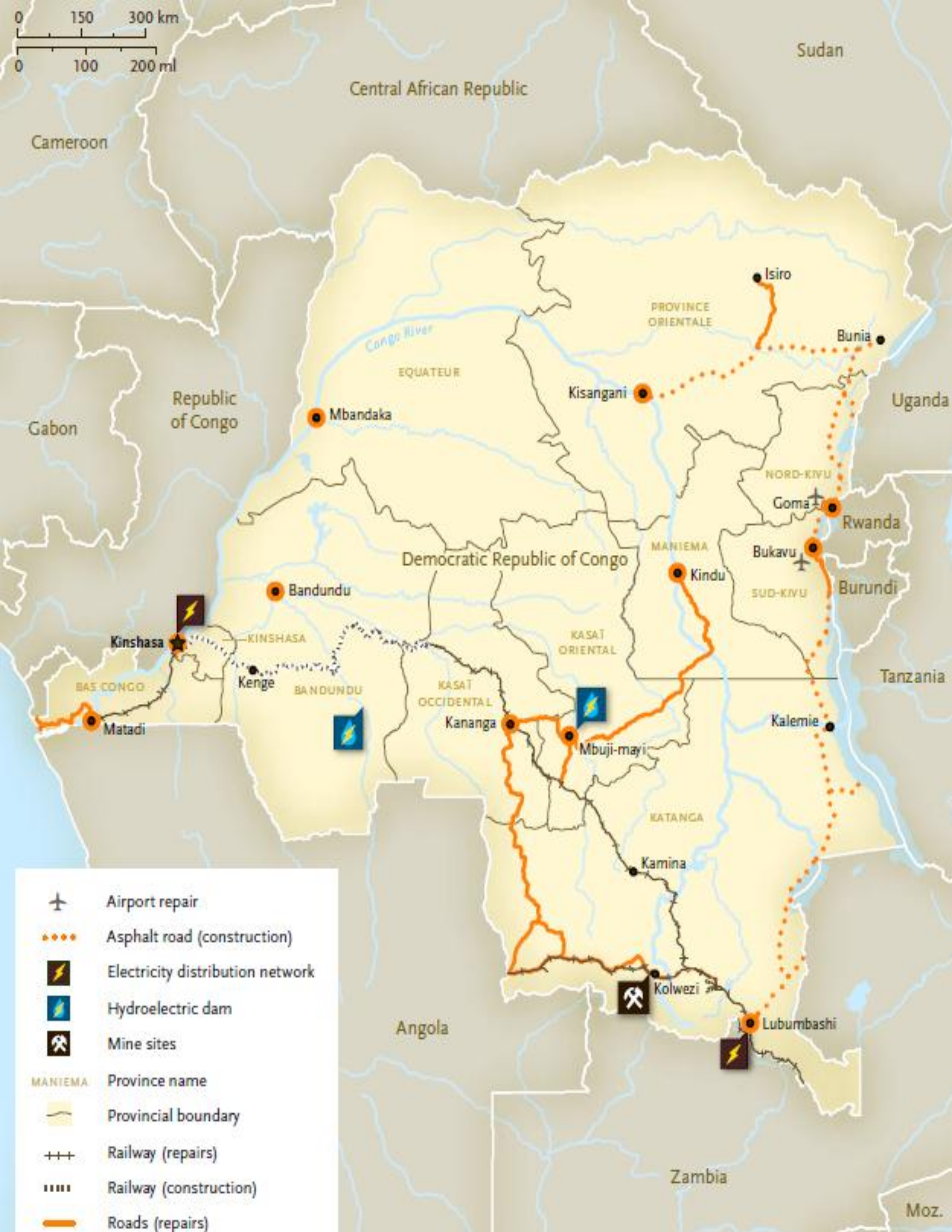
[23] World Gold Council 2011
[24] McKinsey Global Institute (2010). Lions on the move: The progress and potential of African economies <mckinsey.com/mgi>
[25] The African Report http://www.theafricareport.com/images/stories/cprofile2012_drc_copperproduction.jpg
[26] Lee P (2010). China has a Congo copper headache. Asia Times <www.atimes.co http://www.atimes.com/atimes/China_Business/LC11Cb02.html>
[27] Holslag J (2010). Chinas true intentions in Congo. Perspectives, Harvard International Review, Cambridge
[28] Le Potentiel (2010). J. Kabila remanie le gouvernement et son cabinet// World Bank representatives (2008). Global Witness interview with former official within the Presidency, Kinshasa// Interview with Faustin Kuediasala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NORD-KIVU
SUD-KIVU
MANIEMA
KASAI ORIENTAL
KASAI OCCIDENTAL
KATANGA
BANDUNDU
KINSHASA
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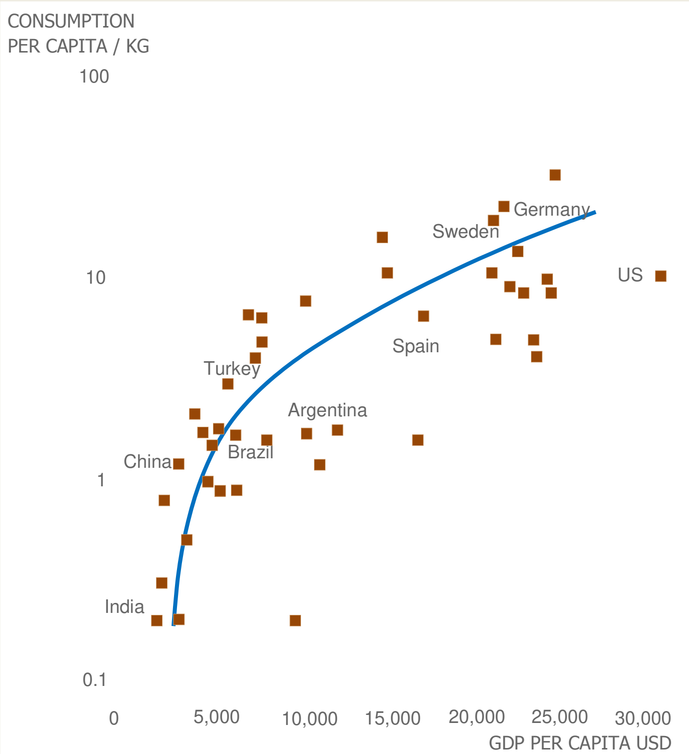
Bandundu
Kinshasa
Kenge
Matadi
Kananga
Mbuji-mayi
Kalemie
Kamina
Kolwezi
Lubumbashi
Airport repair
Asphalt road (construction)
Electricity distribution network
Hydroelectric dam
Mine sites
MANIEMA
Province name
Provincial boundary
Railway (repairs)
Railway (construction)
Roads (repairs)

MINERALS MAGNITUDE

Twenty-four trillion dollars is nearly 40% of the world economy. Therefore above all the fighting, the Beijing strategy of mutual benefit intends to blaze African resources to enlarge her motherland state economy, using a linchpin of Chinese infrastructure projects built on African soil.[29]

Last decade witnessed the big mining explorations move into Congo for its vast mineral wealth. A ballpark figure is that nearly 10% of the world reserves of copper, 33% of all reserves of cobalt, and 34% of coltan reserves are found within Congo. The country is also the principal source for gold, diamonds, cadmium, cassiterite, silver, wolframite and uranium.[30]



Copper per capita intensity of use
(World Bureau of Metal Statistics/ World Bank 1999)

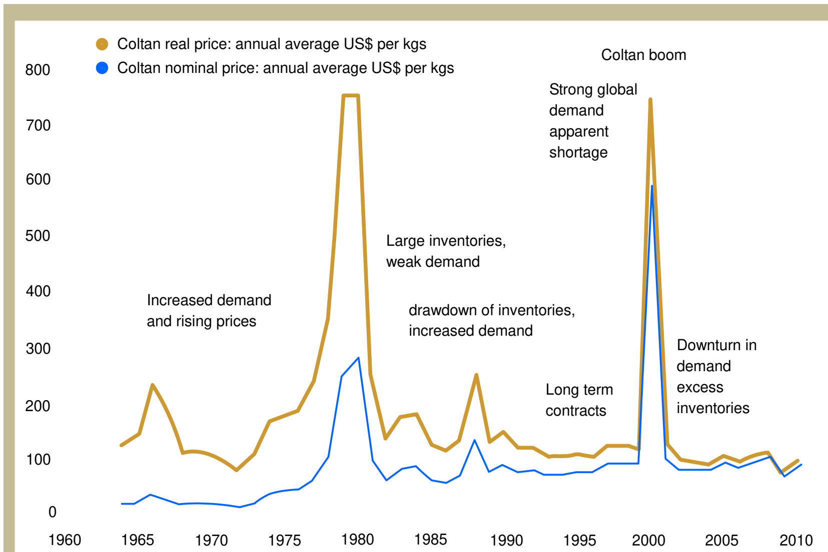
On the whole, China perceives Africa as a natural addition of the on-going resources-for-infrastructure strategy, first introduced in Angola on a USD2b give, then a USD3b engagement in Gabon. These followed with parallel arrangements in Guinea and Zimbabwe for commitments between USD7 and USD8 billion. Now these Congolese resources come openly recognised by China as nothing but a good opportunity tantamount to transform a scarcely developed nation into a motivating economic force.[31]

Without need for emphasis, mineral products have become a vital component of modern economies and societies. With the many forms metals take in industrial and consumer applications, consumption per capita has been positively correlated with per capita GDP. A visible divide among countries is defined at a per capita GDP of USD10,000. More countries fall below this demarcation for consumption per capita less than 6kg aluminium, 5kg copper, and 200kg steel. Those nations above the demarcation indicate a quite high per capita mineral consumption, but mask the usage of semi-fabricating industries serving export markets.[32] Semi-fabricating industries, usually shortened to s-e-m-i-s, are those

[29] Wasserman H (2012) China in South Africa: A long affair, Africa rising, pp 32-35
[30] Mining Journal Special Publication (2010). Unwanted legacy, The Democratic Republic of Congo
[31] Meyer N (2012) Can Chinas Deal of the century save Congo? World policy around the table// Mining Journal Special Publication (2010). Fast improving risk-reward balance, The Democratic Republic of Congo
[32] CRU International (2001) Precious metals market outlook. London

into manufacturing processes to combine gold into sheet alloys, tube or wire and done by specialist large refiners of Germany, Switzerland or other well developed states.[33]

To some extent, the Chinese strategy is thought as a possible means to improve the standard of living of 71m Congolese people.[34] For one, China has become an overwhelming force in the minerals market with an exploding trend in electronics manufacture. Visibly, the sheer appetite of coltan doubles that of 1980s trend has accelerated the Chinese global trade accession[35] and to some extent influenced on the mineral kingpins. Between 1990 and 2000, China occupied one-third of world total consumption of coltan, of which 60% are import concentrates. For the sea borne market for iron ore, the country usage of China moved up 16% from 4%, to occupy 60% of world consumption. Recent trends show country aluminium usage has increased by 40%.[36] The worldwide total consumption for aluminium in 2012 is 3,919 thousand metric tonnes and China has consumed 1,762MT.[37]



Three spikes occurred since the 1960s, the first price surge between 1978 and 80, is thought to take place for panic buying influenced by shortages of supply and expected increases in electronic components.

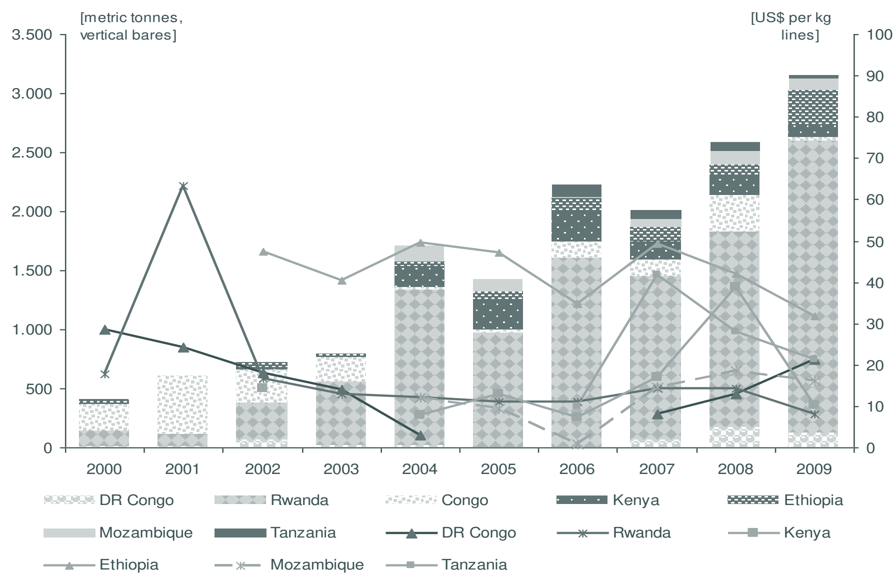
Coltan spot price per kilogram
Sources: USGS 2009/ Papp 2010

Coltan is a metallic ore typically sought for its tantalum content. Coltan is the coined word for columbite-tantalite, which is broadly used for capacitors in electronic circuits. Its mineral properties allow the flow of electric charges and storage, with negligible energy loss. A mineral that is extremely useful in the industries of aviation, defence, medical technology, and for other consumer commodities requiring resistance to severe heat and chemical corrosion, hardness and ductility.[38]

Typically, with regards to minerals usage, the prices of coltan is privately negotiated, which include the purchase contracts between buyer and seller are definitely confidential. Coltan prices are mainly influenced by events in the supply of and demand for minerals. The published spot prices by the United States Geological Survey indicate long-term stability, but disrupted by very sharp price jumps, resulting the strong demand and shortage. Coltan is a strategic resource to

[33] http://info.goldavenue.com
[34] Meyer N (2012) Can Chinas Deal of the century save Congo? World policy around the table
[35] DRC. Ma T (2009). China and Congo' s coltan connection. Project 2049 Institute, pp 2-6
[36] Humphreys D (2001b) The role of China in the world mining industry, China mining 2001 conference, Xian, Shaanxi Province
[37] http://www.world-aluminium.org/statistics
[38] Ma T (2009). China and Congo' s coltan connection. Project 2049 Institute, pp 2-6

many countries. In China, coltan usage is controlled by state owned enterprises, and recently, the research in defence manufacturing. The chief minerals processor Ningxia Nonferrous Metals Smeltery: NNMS is the sole research centre occupied in hydrogen bomb production.[39] UN 2008 report states China has moved up as the key consumer of Congolese coltan exports which are shipped to NNMS.[40]



China imports of coltan from selected African countries
(Source, UN Comtrade SITC-3-28785)

Demand for coltan on a global scale has escalated at about 6% annually since 1990, and is forecast for 6.75% growth in the Asia Pacific.[41] Three quarters of the world coltan supplies are sourced from mining activities and the remaining quarter are reclaimed from tin slag; scrap metals, and existing inventories. In 2008, the world tantalum supplies estimate a total of 4.3 million pounds.[42] Africa and Australia are presently on top of the world supply, each continent contributing 30%. Brazil contributes 15% and China for 8%.[43] The bulk of export from Central Africa supposedly originates from the Congo.[44]

As it is, China principal importer of tantalum produced in the African region, to a value of USD 36.3m in 2009. Yet direct imports from the Democratic Republic of Congo are little compared to other suppliers like Rwanda. China imports 73% of all tantalum and niobium ores trade of the region. Trade from Rwanda in 2008 is roughly 4.6 times the amount of Rwanda production,

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[39] Ma T (2009). China and Congo’ s coltan connection. Project 2049 Institute, pp 2-6
[40] Ewing J (2008). Congo fighting revives tainted phone fears. Business Week <http://www.businessweek.com/globalbiz/content/nov2008/gb20081117_671426.htm?chan=top+news_top+news+index+-+temp_global+business>
[41] Global Industry Analysts, Inc (2008). Global tantalum market to exceed 6.95 million pounds by 2012. <http://www.prweb.com/releases/tantalum/metal/prweb1530774.htm>
[42] Wallwork P (2008). Challenges facing the tantalum industry. Presentation at the minor metals and rare earths conference, <http://www.talison.com.au/news.html>
[43] Noventa (2009). Introduction to Noventa. Presentation on March 26, 2009, <http: //noventa.net/pdf/Proactive_Investors_Presentation_26March2009.pdf.>
[44] Ma T (2009). China and Congo’ s coltan connection. Project 2049 Institute, pp 2-6

which suggests an estimate of 914t of these minerals are smuggled product representing a market share of 55%.[45] In comparison to Hong Kong or Singapore, Chinese imports are less pricey at USD11.33 per kg tantalum and niobium ore, versus USD24.26 paid by other Asian importers.[46]

Congolese prices for coltan continuously escalate since 2007 while export prices have been decreasing compared other countries within the region. Then prices for coltan at Rwanda are kept constantly low. But China purchased coltan for even less than USD8 per kg while exports from Rwanda cost between USD13 and USD31 per kg on the average, depending on tantalum grading.[47] Other reports suggest that the price of Chinese imports from Rwanda is 2 or 2.7 times less the import price of Australian tantalite, and 3.7 times lower during the first six months of 2009. [48]

A logistics supply chain of coltan from DRC is smuggled via Rwanda or other Central African Countries, and then bought by Chinese processors often smaller companies.[49]

The ILO, International Labour Organization information on extractive industries from 73 countries extending at least 10 years back, confirms 30m people worldwide in mining for both large and small scale, and about 300 million particularly for metals recycling. A huge concentration of employment is in Asia at 60%, while the South Africa mining industry represents 2.7% of the economically active population of 1999. Employment slowdown is clearly illustrated in South Africa, where 360,000 mineworkers, or 46% of industry work force lost jobs between 1990 and 2000. The US mining industry plunged 31% between 1985 and 2000, activities in coal having the largest decrease of 60%. Over the same period, employment across major steel producing countries has fallen from around 2.5 million to fewer than 900,000 people. This does not include China. China employs about 26% of the total worldwide workforce. For steel alone, employment in galvanizing is about 85,000 people.[50]

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[45] Roskill (2009). The economics of tantalum, 10th edition, London <www.roskill.com>
[46] Tantalum-Niobium International Study Center (2010). Bulletin n. 144, ISSN 1019-20296
[47] Garrett and Mitchell (2009). Trading conflict for development, DFID, LSE, CRG
[48] Roskill (2009). The economics of tantalum, 10th edition, London <www.roskill.com>
[49] Gylfason (2009). Development and growth in mineral-rich countries, Greenleaf Publisher, pp 42-84
[50] Quoted in Breaking new ground: ILO (2001) Labour statistics database, Geneva/ ILO (2001) Mining coal and other mining, Sectoral Activities, Geneva

A majority of roads in the Congo are unpaved and poorly maintained especially if these are far from the capital of Kinshasa or any mining operation

As a matter of fact the road network is outperformed by its 2,490km of railroad and 9,300 mi of navigable inland waterways

INFRASTRUCTURE IMPROVEMENTS

Poor infrastructure is one unique experience in the Democratic Republic of the Congo, given its size as the second largest country in Africa and the eleventh largest in the world by area of 2 345 409 km2 or 905 355 sq mi. It is the 19th largest by population of 73m but with only 2 794 km or 1 398 mi of good paved road. Only half of that is in good condition. A majority of roads in the Congo are unpaved and poorly maintained especially if these are far from the capital of Kinshasa or any mining operation. Roads in remote areas are often built farm roads by private individuals or earth tracks carved by church communities, and are in better condition than the Congolese national road system. Most roads can be described as dirt tracks where armed soldiers usually come with a request for payment. Bicycles are the main method of land transportation and even trucks break down constantly and can be stuck for months. As a matter of fact the road network is outperformed by its 2,490km of railroad and 9,300 mi of navigable inland waterways.[51]

With little Government money put into road improvements, the bureaucracy has turned to foreign investments, for which the Sino Chinese Co-operation Agreement reflects in the 2010 state budget as follows: Transport railways USD195.400m, road construction and rehabilitation USD396.642m, farming 500 tractors USD26.405m, water utilities USD211.244m, and energy sector USD190.088m.[52] The complete planned infrastructure development works lists three railways, thirteen connecting roads specifically with a road network in Kinshasa. One hospital to every province and one health centre in every district, two universities and 5,000 homes. Total investment expenditure is estimated at USD6.5b. Funding assistance provides also for the construction of stadiums, government buildings, telecommunications networks and other infrastructure;[53] such as the Brazzaville's radio and television network which was the work of a Chinese company.[54] More of the road network includes new secondary offshoots for easy travelling of hundreds of Congolese workers from homes to jobsites.

China State Construction Engineering Corporation, CSCEC is building, and Jean Jacques Bouya sits managing director of the state firm for large infrastructure projects.[55] Work commenced on a USD500m, 600 km road link from the oil hub of Pointe-Noire on the coast to the capital, Brazzaville.[56] The new airport of Mbanza Congo is expected to advance the city of Mbanza Congo with its 4,000 metres runway and 2,000 metres access the main road.[57] Along these tasks, China has built a new foreign ministry facility, and supports business investments.[58] At the end of 2005, China Export Import Bank Ltd had cumulatively funded only about USD800m in concessional loans in Africa for 55 projects. Two years later, the number of African projects had risen to 87, and the cumulative value was about USD1.5b. At the end of 2006, Chinese leaders

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[51] The Basement Geographer <http://basementgeographer.blogspot.com/2012/04/why-you-cant-drive-across-democratic.html>
[52] Jia, X (2011). Is China Capitalizing on the Congo? http://globalprosperity.wordpress.com/
[53] Jia, X (2011). Is China Capitalizing on the Congo? http://globalprosperity.wordpress.com/
[54] GJelten T (2007). Congo and China forge economic partnership, NPR Stories
[55] Jia, X (2011). Is China Capitalizing on the Congo? http://globalprosperity.wordpress.com/
[56] Reuters (2009). Chinese begin work on Congo Republic coast link road, Africa the good news// China Daily (2012). International partnerships building confidence
[57] Macau Habu (2012). Construction of new Mbanza Congo airport, in Angola, begins in 2013
[58] Jia, X (2011). Is China Capitalizing on the Congo? http://globalprosperity.wordpress.com/

announced that EXIM would release USD2b in concessional loans and USD3b in preferential export credits available for Africa.[59]

China Development Bank also offers policy loans at competitive rates. As of March 2007, China Development Bank reported that it had financed 30 projects in Africa, for a total of about USD1b. Three and a half years later, it had committed more than USD10b to projects in Africa and disbursed USD5.6b in financing to 35 projects across over 30 African nation.[60] The Chinese have linked the aid funding to the United Nations summits on financing the Millennium Development Goals, and meetings of the Forum on China-Africa Cooperation, FOCAC.[61] Infrastructure improvement besides thousands of miles in new roads and railways includes: a modern 450 bed hospital in Kinshasa, 31 hospitals in 26 provinces of 150 beds each, 145 health centres each with 50 beds, two hydroelectric plants; power lines, two vocational training centres for construction and public works sectors, and two universities.[62]The completion of the 120-MW Imboulou hydroelectric dam on the Lefini River, which began in 2003, is contracted by two Chinese companies: CMEC and CIEMCO.[63] A hydroelectric plant with capacity of 150MW is located in Zongo II in Bas-Congo and 64MW plant at Grande Katende in Kasaï Occidental.[64] Construction of the plant extends to the USD3b power lines stretching from Inga to Kolwezi in south eastern Katanga province and on to Witkop, South Africa, about 3,600 kilometres away. Several companies including the China Three Gorges Corp and Sinohydro, Posco and Daewoo Corp have partnered with Canadian SNC-Lavalin Group Inc for a second bid. Actividades de Construccion y Servicios SA, based in Madrid, and the Spanish Eurofinsa Group have submitted a third bid.[65]

Early 2013 Chinese engineers have installed an under river fibre cable to link the capitals Brazzaville and Kinshasa. An event held to celebrate the fibre deployment Telecommunications and New Technologies, and the combined conurbation of Kinshasa-Brazzaville, which is divided by the Congo River. These significant political and infrastructure challenges prevent the two cities from functioning with any meaningful kind of connection to around twelve million inhabitants, although.[66] An international report summarises the Congolese achievement in infrastructure improvements as follows: Increased domestic connectivity and renewal of aircraft fleet in the Air Transport Sector, High level of GSM signal coverage at reasonable cost for ICT, and on port, Port of Matadi made available to service Kinshasa area. On power production, vast low-cost hydropower resources and potential to become major exporter, on railways, new strategic networks available to support timber and mineral exports, and for roads, progress in mobilizing external finance for network reconstruction. For water and sanitation there is a rapidly expanding access to improved latrines.[67]

[59] China Export Import Bank Ltd
[60] Xinhua (2010). People' s Daily
[61] Freeman C and Boynton X (2011) Chinas emerging global health and foreign aid engagement in Africa, Center for Strategic International Studies,
[62] Barboza S (2011). Congo Dollars 6bn China accord: deal of the century or Africa' s "Great Chinese Takeout?" The Atlanta Post
[63] < http://africa.travel-mantra.com/africa-travel/electricity-of-republic-of-congo-1721.html>
[64] Voting in a time of uncertainty <http://www.theafricareport.com/20120910501810428/central/country-profile-2012-democratic-republic-of-congo.html>
[65] Kavanagh M (2112) Congos Dollars 9 Billion Inga Plant May Sell S. Africa Power <http://www.bloomberg.com/news/2012-10-18/congo-s-9-billion-inga-plant-may-export-power-to-south-africa.html>
[66] Kavanagh M and Sguazzin A (2112) Chinese engineers deploy Brazzaville-Kinshasa fibre link under Congo River, Bloomberg
[67] The International Bank for Reconstruction and Development (2010) Africa infrastructure country diagnostic: A time for transformation

Chinese contractors walk past Congolese workers
(Katrina Manson 2010)

Héxié Shèhuì is the vision of Chinese President Hu Jintao, which would mean to build a peaceful, prosperous world

LABOUR ETHICS AND WORK PLACE PRACTICES

和谐社会 Héxié Shèhuì is the vision of Chinese President Hu Jintao, which would mean to build a peaceful and prosperous world, and the emphasis if the China Olympics season. To express sincerity on such concept, as regards economic activities in Africa, China Institute of International Affairs and the Ministry of Commerce engaged the consultative services of French organisation Rights and Accountability in Development, RAID to unfold mutual respect amongst workers on site the state-owned enterprises and larger companies operating inside the Democratic Republic of Congo.

It must be noted that the Communist Party of China Central Committee first launched the concept of harmonious socialist society at the Fourth Plenary Session in September 2004, and was followed through by Hu Jintao with a series of discussion in the Chinese Political Consultative Conference in March 2005.[68] Below outlines the survey conducted on 15% of the Chinese firms operating in the Democratic Republic of Congo.[69]

Main Problems: Perspective of Congolese workers	**Main Problems: Perspective of Chinese Employees**
• Chinese companies have little or no understanding not only of international labour standards but also of Congolese law, in particular the Code du Travail and the Mining Code • Environmental standards are not respected by Chinese companies • Accidents in Chinese-run smelters are commonplace because of the lack of protective clothing, training and procedures • Workers who sustain serious injuries as a result of accidents at work do not receive adequate medical attention; compensation is often inadequate or non-existent • Minerals bought for processing or sold to trading houses are illegally mined with the use of child labour; children, some as young as 10 years old, load bags in the trading houses • Workers are exposed to harmful dust from the minerals handled – including radioactive minerals; they are not provided with face masks or other protective clothing; there are no facilities for taking a shower • Workers work long hours, are treated arbitrarily and risk being summarily dismissed for trivial offences or on false accusations • Chinese and Congolese security guards have assaulted workers and beatings are common. In some cases workers have sustained serious injuries • Most workers are hired on a casual basis and the companies do not pay their insurance. Workers with contracts complain that these are written in Chinese and not translated • Congolese workers are discriminated against; are given menial jobs and have no opportunities to upgrade their skills. They do not receive the same levels of pay as Chinese workers • Workers are not treated with respect and are regarded as dispensable • Workers' grievances are not taken seriously by the company and making complaints often leads to dismissal •Corruption and inefficiency undermines the work of the Congolese police, labour inspectors and the courts. Workers have no access to an effective remedy • Chinese companies and Chinese employees appear to be above the law	• Chinese workers are at risk of assault by gangs; some attacks are racially motivated; some Chinese employees have been seriously wounded • Threats to their personal security means Chinese employees do not go out much and stay in their compounds • Buildings where Chinese expatriate workers are housed are often targeted by thieves • Chinese face constant harassment from Congolese officials who extort money from them on the slightest pretext: for example, that their visas are not valid • Corrupt officials try to impose fines on Chinese companies or demand payment of 'taxes without due cause • Living conditions for many Chinese workers are poor • Many are unhappy and would prefer to work in neighbouring African countries where corruption and security problems are less prevalent • Pervasive corruption makes it difficult to do business and bring prosperity to the region • Chinese companies are supposed to add value by processing minerals inside Katanga but they see no sign of the mining revenues being used by the Congolese authorities to improve local infrastructure or the living conditions of the population • Chinese people are the victims of the frustration that the Congolese population feel as a result of their neglect by the Congolese Government • They would like to have better relations with Congolese people but there are language and other barriers that need to be overcome • Chinese employees do not feel that their human rights are respected and that the Chinese embassy, in cooperation with the Congolese authorities, should take action to tackle these problems.

[68] Haifang L (2008). Harmonious world and China's path for peaceful development, International Review, Vol. 45
[69] Goethals S, Mbaya R and Okenda J (2009). Chinese mining operations in Katanga, Democratic Republic of the Congo, www.raid-uk.org

INVESTMENT IMPACT

Did the people of the DRC benefit from Chinese investments?

A forward looking foreign policy of Chinese diplomacy in Africa is a challenge for regional and global change. The weight of historical context suggests continuities of political economy to mark Chinese foreign policy out from western approaches.[70] A wider range of monetary and nonmonetary assistance[71] through three instruments; grants, zero interest loans, and concessional fixed rate or low interest loans. All these are apart the infrastructure-for-resources-agreement,[72] but do not carry the 'good governance' conditionalities.[73]

China disbursed about USD1.2b in Official Development Aid: ODA, compared with the World Bank USD4.1b, the United States USD7.2b and France USD3.4 b. Disbursements in relation to assistance increased to USD1.4b in 2009.[74] For scholastic contributions and the advancement of the academe, the Chinese Government funds 5500 scholarships for African students each year. Social foundations seed in China's peacekeeping medical missions,[75] training programs and youth volunteers,[76] and about USD600,000 in humanitarian aid to refugees in the eastern part of Congo.[77] In the succeeding five years a thousand doctors, nurses and managers are to be trained for the health sector receiving hospitals,[78] USD37.5m worth of anti-malaria drug artemisinin, and 30 malarial prevention and treatment centres are to be built.[79]

Another perspective highlights trade flows and foreign direct investments, FDI. Trade relations established through foreign policy has resulted positive impact on trade flows and FDI to the benefit of the Congolese. With the economic stagnation in the west, a trade boom across the globe is possible. Plainly put, the minerals demand of China has positive returns to Congo, and the risk of competition remote.[80]

Indication of economic growth of about 6.5% is broadly associated to the infrastructure-for-resources agreement. Copper production of 500,000tn is two times more the total in 2009. Cobalt production nearly doubled between 2010 and 2011, reaching 100,000tn, while the production of zinc reached 9,200tn in the first six months of 2011, which is the usual production achieved in a full year.

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[70] Alden C and Alves C (2008). History and identity in the construction of China's Africa Policy, Journal Review of African Political Economy , vol 35, no. 115, pp 43-58
[71] McCormick D (2008). China and India as Africa's new donors: The impact of aid on development, Journal review of African political economy, vol. 35 (115), pp 73-92
[72] Brautigam D (2011). Chinese development aid in Africa: What, where, why, and how much? Rising China: Global challenges and opportunities, pp. 203-223
[73] McCormick D (2008). China and India as Africa's new donors: The impact of aid on development, Journal review of African political economy, vol. 35 (115), pp 73-92
[74] Brautigam D (2011). Chinese development aid in Africa: What, where, why, and how much? Rising China: Global challenges and opportunities, pp. 203-223
[75] english.peopledaily.com (2004). China's peacekeeping medical team offer aid in Congo Kinshasa
[76] Brautigam D (2011). Chinese development aid in Africa: What, where, why, and how much? Rising China: Global challenges and opportunities, pp. 203-223
[77] China Daily (2009). China provides humanitarian aid to DR Congo
[78] Putzel L and Kabuyaya N (2011) Chinese aid, trade and investment and the forests of the Democratic Republic of Congo, www.cifor.org
[79] FOCAC (2011).Interview with Chinese official at Beijing.
[80] Kaplinsky R and Morris M (2006). Dangling by a thread: how sharp are the Chinese scissors? Brighton: IDS, DfID report.

FDI infused in mining operations at Katanga province are as follows: Sicomines USD2.15b, Tenke-Fungurume Mining USD1.6–2b, Kingamyambo Musonoi Tailings USD700m, Frontier USD300m, and others: Chemaf, Ruashi Mining, Boss Mining USD200–300m, Fortune Ahead Hong Kong or Sodimico USD60m, Compagnie Minière de Luisha or COMILU USD60m. Other Chinese companies operating in the mining and minerals indutry are: Congo Dong Bang Mining, Jia Xing, Feza, Huachin, Congo, Loyal Will Mining, COTA, Luc Ndubula Mining and Kamoto Copper Company.[81]

The overall structural shift through these strategic investments have advanced the construction industry to register GDP growth at 10.1% in 2010; followed with developments in agriculture, coffee production and logging. Exports soared to USD11bn with minerals and oil comprising 97.2% of the total export value, and the Congolese Central Bank foreign reserves enlarged to USD1.3bn in 2010.[82] Improving health is facilitated with the rehabilitation of hospital facilities in all territories through a fund appropriation of USD15.315m. And, security of these investment and safety of the mining operations is tackled through the military backing of USD2.313m. These subsidies for military activity are considered a gift, and therefore these amounts do not reflect on rural development reports.[83]

The Democratic Republic of Congo has potential to become the largest power exporter in Africa. It currently supplies a modest amount of power to Zambia, Zimbabwe, and South Africa.[84] The Inga III hydropower plant also supplies 2,500 megawatts of power to South Africa, Botswana, and Namibia.

After SCCA, Congo was formally accepted into the EITI: Extractive Industries Transparency Initiative, an organization of governments, companies and civil society groups worldwide. The EITI mandates the global standards for transparency in oil, gas and mining, and works across 30 resource-rich countries. Members of the EITI publish reports on payments to the state by companies and payments by government agencies that are overseen by a multi-stakeholder group.[85]

China and the DRC Government ratified the international human rights standards which includes the International Covenant on Economic, Social and Cultural Rights and the Convention on the Rights of the Child consequently such that provisions are respected by all companies operating in Katanga. The action highlighted many of the key standards of the International Labour Organisation, ILO Convention 100 and Convention 111 on the elimination of discrimination in respect of employment and occupation and Convention 138 Minimum Age Convention and Convention 182 Worst Forms of Child Labour.[86] The move in this direction recognised the Héxié Shèhuì vision of Chinese President Hu Jintao, which was first at the Fourth Plenary Session in September 2004 by the Communist Party of China Central Committee.

Increasingly, major mining investments in the DRC are governed by conventions rather than by contracts. A number of experts in the mining industry view the SCCA as a positive development

[81] Putzel L and Kabuyaya N (2011) Chinese aid, trade and investment and the forests of the Democratic Republic of Congo, www.cifor.org
[82] The African Report http://www.theafricareport.com/images/stories/cprofile2012_drc_copperproduction.jpg
[83] Putzel L and Kabuyaya N (2011) Chinese aid, trade and investment and the forests of the Democratic Republic of Congo, www.cifor.org
[84] The International Bank for Reconstruction and Development (2010) Africa infrastructure country diagnostic: A time for transformation
[85] Global Witness (2011) China and Congo: Friends in Need. A report by on the Democratic Republic of Congo
[86] Goethals S, Mbaya R and Okenda J (2009). Chinese mining operations in Katanga, Democratic Republic of the Congo, www.raid-uk.org

for the Congolese, with China entering the mining industry, a domain previously dominated by European, Canadian and US multinational companies.[87]

In 2007, Chinese telecommunications giant ZTE and the DRC Ministry of Agriculture forged an agreement for the development of oil palm plantations earlier abandoned in Bandundu and Equateur, to the tune of USD1b. But controversy lingers on the area of three million hectares on paper against its actual area of 100 000 hectares,[88] Investing in agricultural research and the development of a fertiliser factory and the presidential model farm in NDjili, has mobilised private funds toward the potential demands for large-scale agricultural development, especially in bio fuel production.[89]

Nuance of the changing world order is clearly demonstrated in the pressure play against the Chinese Global minerals trade. American based companies have boycott minerals originating from the Congo conflict. At present, the Global minerals trade gravitates to the United States, being the largest consumer of electronics. Supporting the boycott is underway review by the Malaysia Smelting Corporation, the largest smelter of Congolese tin, and the Congolese trade hubs of Goma and Bukavu. These repercussions push Congolese business associations, obviously unable to immediately shift markets to pressure the Government to demilitarise mining areas and begin certifying non-conflict minerals. Otherwise a sustained boycott of American companies could put tens of thousands of miners out of work and divert trade toward India.[90]

Contradictions of progress also reach the local scene where provincial leaders continue to push Kinshasa to honour the stipulations of the 2005 constitution mandating that 40% of government revenue is to be funnelled through local and regional governments. This is apart the strikes by judges, teachers and even CENI personnel, all stemming from the lack of trickle-down impact from the country's growth and weak budget execution.[91] As a matter of fact, the Congolese remark frequently on these infrastructure improvements as the progress that benefits mostly the narrow elite. As it is, these high rise structures, restaurants, internet cafés and bars are far too expensive for the average city dweller. Life has gotten harder since cost of living has gone up.[92] Fair conditions at work are another dreadful reality. Although Sicomines is expected to employ 10 000 workers, 70% are expected to be Chinese. Then compensation of a Congolese casual labourer is about FC 8000 or USD8.85 per day.[93] The SCCA has already led to the displacement of illegal artisanal miners, which was carried out by a division of the Ministry of Mines, whereas local residents lose homes and access to resources. Even at one point, about 200 local residents were evicted and given plastic sheeting, but no compensation.[94]

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[87] Putzel L and Kabuyaya N (2011) Chinese aid, trade and investment and the forests of the Democratic Republic of Congo, www.cifor.org
[88] CIFOR (2010) Interview with a director of a Kinshasa-based international conservation NGO
[89] Putzel L and Kabuyaya N (2011) Chinese aid, trade and investment and the forests of the Democratic Republic of Congo, www.cifor.org
[90] Gardner B (2011). The Emerging World: A glimpse at the changing world of China and emerging markets, France 24
[91] Voting in a time of uncertainty <http://www.theafricareport.com/20120910501810428/central/country-profile-2012-democratic-republic-of-congo.html>
[92] Wazekwa F and Olomide K (2012) Life gets better for Kinshasa elites, but is a struggle for most < http://congosiasa.blogspot.com/2012/03/life-gets-better-for-kinshasa-elites.html>
[93] CIFOR (2010) Interview with local resident, village near DIMA concession// Interview with an official from the Ministry of Mines small-scale mining oversight agency, SAESSCAM Kolwezi
[94] CIFOR (2010) Interview with local resident, village near DIMA concession// Interview with an official from the Ministry of Mines small-scale mining oversight agency, SAESSCAM Kolwezi

Generally, workers earn about USD80 a month for carrying bags of minerals, crushing ore, loading bags, for on average nine hours a day, six days a week. Workers have a few benefits but not basic things like a meal at lunch-time or permanent contracts, not even for workers with the company for more than a year. One worker from Likasi, found a position in Kolwezi which is over 200 km away and a four hour journey by bus. He works seven days a week and earns USD80 per month. The company allows him to sleep on site. During the day he works as a handyman doing whatever task is required and at night he takes a turn guarding the depot. The money he gets he sends to his family. Workers at Song Hua receive USD100 a month for a three-day week of between 36 and 39 hours. Their Chinese counterparts get paid USD1500. The Congolese deeply resent this disparity. Workers do not have medical care and walk one-and-a half hours each way to and from work otherwise pay for transport. The management dismiss any complaints on discriminating compensation with the reply: We are Chinese.[95]

Jean, a former foundry worker described conditions at Jia Xing. The company buys minerals which are processed at the plant in Lubumbashi. Foundry workers work 12 hours non-stop. A short break on site is allowed for workers to eat but is often interrupted and sent back to work. Day shifts alternate with night shifts, and fondeurs get USD120 a month and if they work at the furnace they receive a bonus of USD100. The equipment is light and of poor quality. It is not replaced when worn out. Jia Xing employs about 100 Congolese and 100 Chinese workers and a degree of solidarity exists between them. In Huachin, Lubumbashi, shifts last between nine and 12 hours a day, six or seven days a week. Some work night shifts. The average pay is USD100 per month. Workers do not have any protective equipment. They are given the equivalent of about 50 cents USD to buy food during the break; night shift workers are given six dry biscuits to keep them going.[96]

Children and young adults aged between 12 and 18 years old can be seen at the depots everyday trying to sell minerals. They push bikes overloaded with bags, weighing between 70 and 90kg each, which they unload at the depots where the minerals are then inspected. If the Chinese trader is not interested in buying, the bags are refilled and painstakingly loaded back onto the bicycles and taken elsewhere. The boys often work either for a negociant or as part of a family group. Mothers and younger siblings wash minerals in the murky river, the fathers dig and crush the ore, or collect minerals from mine sites illegally at night. The older boys go from door to door trying to find a buyer.[97] ZTE pays part-time labourers between USD2 and USD3.50 per day, depending on the vigour’ of the worker. A driver might earn up to USD180 per month. The company pays medical bills if an employee gets sick or is injured on the job. Payment for clearing land, by the hectare, is around USD50. The company engages about 100 workers on a casual basis.[98] Of course, Magistrates shield bad employers: Any complaint to work inspectors or the competent Congolese authority seems to be useless. Magistrates protect bad employers who use bribery to escape the legal consequences of company actions. Corruption is pervasive throughout the system.[99]

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[95] Goethals S, Mbaya R and Okenda J (2009). Chinese mining operations in Katanga, Democratic Republic of the Congo, www.raid-uk.org
[96] Case investigated by ACIDH
[97] Case investigated by ACIDH
[98] CIFOR (2010) Interview with a DRC-based staff member of a Chinese state company
[99] Goethals S, Mbaya R and Okenda J (2009). Chinese mining operations in Katanga, Democratic Republic of the Congo, www.raid-uk.org

WHY AFRICA AND DRC?

The nature of the involvement of China in Africa can be appreciated in the context of the severe resources race, where the US, India and China are the kingpins vying for security of supply.[100] The massive infrastructure development is to ensure operating performance of the handful of state enterprises in the long term, aside ease of influence on Government. True to form, infrastructure is rudimentary to the superior performance of a metropolis or country. But a good logistics infrastructure system, across the different modes of transportation, requires constant investments by Government for country competitiveness, and the actual conditions of public infrastructure is a critical success factor.[101]

China has chosen to be in the Democratic Republic of Congo is for a number of reasons. Of course obviously, the country is conveniently disadvantaged yet persuasively attractive, all the more from the perspective of a formidable nation. Congo is a country scarred in years of conflict that any tiny amount of tangible improvement on the land would come as a noticeable accomplishment, and very useful. From an economic standpoint, the equivalent trade flows, FDI and multiplier effect on labour and money flows. Any tangible improvement shall create a resounding impact that might not come to equal value should the same amount be invested in developed a nation or for that matter in China. Conflict and corruption are the fog that eases trade accession, after all befriending the magistrate is what matters most and for all the rest are to follow.

A political economy is facilitated with the extensive assistance consists a combination of state-sponsored investments, development aid, loans, and technical assistance that bolstered China’ s diplomatic presence and economic influence. This financing infrastructure is thought as a soft power in the developing world which has ushered considerable international goodwill. The fact of the matter is Chinese assistance and investment has touched on several unmet development needs of specific countries relatively neglected by major aid providers. By so, the Chinese policy of providing economic assistance: without conditions but specifically for long term leeway, has undermined the ability of western aid donors to influence behaviours of country recipients in the more critical dimensions democracy, human rights, and economic reforms.[102]

The match is a pair of complimenting nations with strengths and weakness that augment; essentially all what is left to achieve is cultural tolerance and compromise. China can be envied for superfluous liquidity and by force of habit would strategically invest state resources. At the same time her most strenuous concern would be the preservation of whatever is left of the natural resource. Congo nearly the exact opposite is indebted and financially incapable of

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[100] Mohan G (2008). Marcus Power: New African Choices? The Politics of Chinese Engagement, Journal: Review of African Political Economy, vol. 35 (115), pp 23-42

[101] Reuters (2009). Chinese begin work on Congo Republic coast link road, Africa the good news// China Daily (2012). International partnerships building confidence

[102] Wagner R (2008) Graduate School of Public Service under the supervision of faculty and CRS specialists// Lum T CRS Report RL34620, Comparing global influence: China and US diplomacy, foreign aid, trade, and investment in the developing world // Wallis W (2007) China buying an African empire, Jopson B (2007) China pledges USD10b in loans to Africa// CNN.com, November 9, 2009

running state affairs. Any Foreign Direct Investment could place Congolese resources to better use. It is to note that DRC is strategically situated at the middle of eight other countries which could serve as secondary markets.

A weak rule of law in Congo with rebels in small formations is unlike the compelling leadership tradition of China, who has overcome earlier years of conflict, famine and isolation. Insofar politically, there is no strong relation with democratic or AID related influences. Otherwise there would be too much burden for the brouhaha of welfare requirements, public consent and equality that the real work building a nation is ambushed along the way.

Chinese diplomacy in Africa ultimately marks a foreign policy out from western approaches, by contrast of democracy, the motivation of a political economy that specifically does not carry the good governance conditionalities. Insofar as continuity is a tradition of great importance in Chinese culture and given the size, state and scale of natural resources of the Democratic Republic of Congo, many opportunities are expected to surface. Notwithstanding, policy coherence has to be given priority to intertwine development initiatives and economic advancement, and for genuine structural changes to take effect.

CONCLUSION

China has in many years prepared for opportunity of Global leadership, and her chance now is for the taking. In conceptual conquest of Congo to change country conditions for the better is a choice well within circumstance, little else cultural clairvoyance. Chance is defined as what occurs unpredictably without discernible human intention or observable cause and that the outcome is decided by chance.

The Peoples Republic China is indisputably the transformative force of ubiquitous economic influence, expressing both ambitions of supremacy and tempered harmony. Although the gift of foresight has seen China through many lessons of change, the potential impact of Chinese benevolence on Africa is determined solely by the structural and institutional conditions of the Congolese culture.

The minerals magnitude of China recognises twenty-four trillion dollars, nearly 40% of the world economy. Therefore above all the fighting, the Beijing strategy of mutual benefit intends to blaze African resources to enlarge her motherland state economy, using a linchpin of Chinese infrastructure projects built on African soil

Notwithstanding, the pressure particularly put on the Democratic Republic of Congo as a laboratory for economic advancement, is for the rest of the region to appreciate whether the Chinese framework for development can rationalise authoritarian rule in the reconfigured global landscape, by contrast of democracy.

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