

Chinese Cheat Code



“China’s story of ingress into Africa to displace the Americans and the Europeans has been studied. Western commentators are jealous of China’s status as No. 1 economic player in Africa.”

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Driving through Gaborone, the picturesque capital city of the tiny African nation of Botswana, is a visual delight. Abject poverty is unheard of, the traffic is orderly, and nature-friendly landscaping is akin to the mythical Xanadu. But last week, as I was taking in the clean evening air there, a power blackout suddenly brought everything to a standstill. Even the thoroughfare lights went blank and the famed Botswanan propensity to follow rules on the road came under strain. And then, my local driver began to curse China.

Botswana is at the receiving end of a massive Chinese con act in the field of infrastructure growth. A scantily populated, landlocked, medium-income country with an enviable GDP per capita of \$7,600, Botswana has everything going for it except that it is desperately deficient in electricity. A few years ago, China arrived on this scene with its overgenerous cheque book and promised to launch a blitzkrieg of power sector construction projects that would render Botswana self-sufficient in energy.

What transpired thereafter was that Botswanans got cheated by China in a way they can never forget or forgive. Beijing’s state-owned China National Electric Equipment Corporation (CNEEC) initially looked like a knight in shining armour in 2008 when it bagged a \$970 million contract to deliver a 600-megawatt coal-fired power plant in four years. Come 2012, however, CNEEC handed over a small fraction of the finished work, that too with serious technical flaws and flouting of safety standards that claimed the lives of Botswanan workers.

What began on a triumphant note as a shining example of South-South cooperation between China and Africa concluded in a shameful expulsion of CNEEC by an outraged Botswanan government, which incurred huge costs and earned the ire of the population for failure to overcome the worsening power outages. Instead of the Chinese project living up to the billing as Africa’s “fastest power station development”, it glaringly displayed the ethical and technical incompetence of China’s giant infrastructure corporations.

The sight of Botswanan security forces filing into the factory site at one point in time, to enforce labour and industrial standards which the Chinese operators had consistently breached, was an indicator of how exploitative the whole enterprise had become. One Botswanan intellectual reminiscing about that episode told me, “We had to take back not only our precious national resource, but also our high governance standards that were being blatantly flouted by the Chinese.”

Botswana is Africa’s least corrupt country as per the Transparency International Corruption Perception Index, and the usual Chinese tricks of bribing African elites and having it their way stood no chance. In January 2014, the Botswanan government invited a German company to take over maintenance and operation of the power plant, and to “identify problems created by CNEEC and rectify them,” adding further costs to taxpayers and leaving the country simmering with anger at the agony of load-shedding.

Besides swindling Botswana in thermal electricity, China also messed up its hydroelectric power production capacity and water management systems through another high-profile venture of building huge dams across rivers and crucial new highways and airport infrastructure. Beijing’s state-owned Sinohydro Corporation bested CNEEC in time overruns, shoddy engineering, poor finishing and ancillary costs that were borne by the Botswanan government in vain. When the game was up for Sinohydro in 2013, it quietly sold off all its assets, packed its bags and beat a hasty retreat out of Botswana. Once again, the relatively transparent rule-of-law based governance system of Botswana prevented the Chinese from wheedling out of trouble by hook or crook and continuing to bleed African citizens.

Unlike neighbouring Zimbabwe, where the government of the nonagenarian dictator Robert Mugabe is in hock to China despite the raw deals Beijing keeps serving to the Zimbabwean people, the cleaner and more democratic regime in Botswana under President Ian Khama showed the Chinese corporations the door. Not even the deep cultural diplomatic investments made by China in Botswana could save its unscrupulous companies from the axe.

In a strategic tandem to dovetail China's aggressive infrastructure diplomacy in Botswana, Beijing had established a Confucius Institute and supported degree programmes in Chinese Studies at the University of Botswana, the country's leading higher education institution. I witnessed young Africans on the campus diligently learning Mandarin and enhancing their understanding of China's great civilisation and "brotherly" foreign policies towards fellow developing countries. Academic brochures of the university highlight visits to the campus by Chinese diplomats, underscoring how Beijing is trying to win hearts and minds in Africa with unlimited zeal and budgets.

Yet, the opinion on the streets across Botswana is one of shock and anguish at "what the Chinese companies did to us". My travels across the Botswanan border in South Africa over the last two weeks opened more vistas about how ordinary people are getting incensed about the immoral behaviour of Chinese firms and businesses (almost all of which are state-owned entities run by Chinese bureaucrats).

One poor activist from KwaZulu-Natal province recounted how she and dozens of other underprivileged workers had successfully protested in 2008 at the Durban harbour to prevent unloading of weapons from a Chinese ship that were intended to reach the killer regime of President Mugabe in neighbouring Zimbabwe. She says that whenever she passes by lavish offices of Chinese companies which are expanding their sway in South Africa, the anger swells up and she "feels like throwing a petrol bomb at them".

The story of China's ingress into Africa to displace the Americans and the Europeans has been widely studied and varyingly interpreted. Western commentators are jealous of China's status as the number one economic player in Africa, while many African state elites sound positive about it because of the kickbacks being earned and the absence of conditionalities attached to Chinese largesse.

But the African people are increasingly wary of the ill-effects of a China that is committing daylight robbery in parts of the continent. The hope lies not in a return of Africa to the clutches of the neocolonial West, but in spreading knowledge and maintaining vigilance among Africa's people. Clean governments like in Botswana and a politically proactive citizenry like in South Africa are the ultimate antidotes to the Chinese charlatans.

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