## **Exercise** Economics

#### BUILD INFRASTRUCTURE IN AFRICA

# China Counters Murderous British World Empire Policy

by Douglas DeGroot

May 11—Chinese Premier Li Keqiang projected an optimistic vision of Chinese-aided industrial and infrastructural growth for the African continent, on a visit to four African countries, which began May 4 in Ethiopia, and ended today in Kenya. He also visited Nigeria, China's third-biggest trading partner in Africa, and Angola, its biggest trading partner in Africa.

Li, on his first visit to Africa since he became premier in March 2013, was not on a shopping spree for raw materials. Rather, he advocated an increase in Chinese industrial investment in Africa, and Chinese-aided infrastructure construction, policies which will raise

the standards of living, and thereby directly contradict the global British financial empire's murderous policy of keeping Africa undeveloped, and relegated to the status of a raw-materials supplier.

Speaking at the Africa Union headquarters in Addis Abeba, Ethiopia, May 5, Li emphasized that one of China's goals, is to fulfill the dream of connecting all African capitals by high-speed rail, so as to boost pan-African communication and development. Stating that China has developed world-leading technologies in this area, Li said his nation is ready to work with Africa to make this dream come true. Countering those who insist such projects are utopian, he said that with Chinese collaboration, this is a realizable goal.

Many agreements were reached in the countries he visited, consistent with this development perspective. He was accompanied by a 129-member delegation.

This is the first time that a leading nation has advocated a plan to begin the process of the rapid industrial and infrastructural development of Africa, since Lyndon LaRouche initiated a study in 1979 which called for the rapid development of infrastructure, including a continent-wide rail network, ambitious water projects, nuclear power, and industrialization.

No American leader has moved in this policy direction since John F. Kennedy was cut down. The policy



Ethiopia was the first stop on Foreign Minister Li's trip to Africa, where he was greeted at the airport in Addis Abeba by Prime Minister Heilemariam Desalegn.

44 Economics EIR May 16, 2014

approach outlined by Li on his trip, which complements what China is doing elsewhere in its global railroad projects, poses the same threat to the British Empire's plans for Africa. Chinese sovereign funding of its various programs, makes it immune to the usual efforts of the bankrupt IMF and World Bank to prevent their implementation.

### Kerry Visit: A Sharp Contrast

Immediately preceding Li's visit, John Kerry made his first visit to Africa as Secretary of State. Kerry's trip to Ethiopia was concerned with the civil strife in South Sudan; he also made stop-

overs in the Democratic Republic of Congo (DRC) and Angola. In the DRC, he proposed several million dollars for the next election, provided certain conditions were met. Kerry made no significant development proposals in South Sudan or the DRC that would change the situation on the ground for the two impoverished countries.

The new nation of South Sudan is a creation of the United States, but both sides in the fighting there were slapped with sanctions, soon after Kerry departed. This led to a ceasefire, which was almost immediately broken. There are more than a million refugees, and the country is facing appalling conditions including the threat of famine. The internal problems of the new country have been evident since the beginning, but its U.S. founders have done nothing significant to foster conditions for stable development.

China surpassed the formerly industrialized USA's role in Africa in 2009, and has been the continent's biggest trading partner since then. While China's Africa trade is only about 5% of its total foreign trade, even this small amount represents a way out of the murderous British financial empire's trap of non-development.

#### **China-Nigeria Agreement**

On the same day (May 5) that he made his speech at the African Union headquarters, which included the



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The China Railway Construction Corp. signed a \$13.1 billion deal with the Nigerian Ministry of Transport to build a high-speed coastal railway, one of the largest foreign railway projects China has ever signed. Shown: Chinese workers laying rail lines on a construction site in Angola.

proposal for an Africa-wide rail network, the China Railway Construction Corp signed a \$13.1 billion deal with the Nigerian Ministry of Transport to build a coastal railway in Nigeria, one of the largest foreign railway projects China has ever signed, according to *People's Daily* online, May 10.

The report cited the head of the Railway Bureau of Nigeria, who said that the company will build a 1,385-km single-track line for trains that will run at up to 120 km an hour. "The coastal railway will boost the export of Nigeria's oil products," he added. "Additionally, as a significant part of the Western Africa railway network, it will also drive regional economic development."

The construction of this railway will adopt Chinese standards, instead of the British colonial standards that most infrastructure projects in Nigeria used to employ, said the Chinese report. According to Cao Baogang, deputy manager of the China Civic Engineering Construction Corp, subsidiary of the China Railway Construction Corp, this testifies not only to the successful localization of Chinese companies, but also to the growing national strength of China.

"When companies in the developed countries want to enter an emerging market, they need to rely on concessional loans provided by their governments. As China's national strength grows, loans from the Exim Bank

May 16, 2014 EIR Economics 45

of China will give leverage in negotiations to the export of Chinese standards," Cao said.

The Nigerian coastal railway project will create job opportunities for local people. "This is a win-win project. It will offer China a \$4 billion deal for the export of equipment. At the same time, it will create about 50,000 direct jobs and 150,000 indirect jobs in the local market, which is significant for Nigeria, where the unemployment rate is high," said Zhang Zongyan, president of the China Railway Construction Corp.

Speaking at the World Economic Forum for Africa, in the Nigerian capital of Abuja, Li repeated his proposal

for connecting all African capitals by high-speed rail, with financing from China with "no political strings attached," according to *China Daily*. He stated that "history and reality make clear to all: China's development gives opportunity to Africa; Africa develops, and China also benefits." He pointed out the stark reality that Africa has 23% of the world's land area but only 7% of its railways, and 13 African countries still have *no* railways.

Li announced that China and African countries would jointly launch high-speed railway technology R&D centers, while cooperating on railway planning, construction, and operation. China will also help with African highways and airports. China is adding a new \$10 billion credit line for Africa to the \$20 billion already offered, and will also increase the China-Africa Development Fund by \$2 billion, to a total of \$5 billion.

#### Li's Trip

Before Li's trip, a Chinese spokesman cited in the Chinese media emphasized that the visit was intended to be large in scope, and involve agreements for financial aid for development. His trip comes on the 50th anniversary of the visit by then-Premier Zhou Enlai to 10 countries in Africa in December 1963-January 1964. President Xi Jinping, in March 2013, made Africa the destination of his first foreign trip, and offered \$20 billion in loans for the two-year period 2013-15.

**Ethiopia:** On the first day of his May 4 arrival in Ethiopia, Li met with Ethiopian Prime Minister Hailemariam Desalegn, and the two signed 16 bilateral cooperation agreements. China has invested over \$1



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On his visit, Li emphasized China's commitment to train technicians and management personnel, with 18,000 government scholarships and training of 30,000 professionals. Here, a Chinese instructor works with the Chinese-Congo Sicomine Project.

billion in Ethiopia in recent years. Ethiopia estimates that Chinese aid and collaboration have created more than 300,000 jobs in the country over the past decade.

After the meeting with Desalegn, Li emphasized that "China and Africa's destiny is closely linked. We supported each other during the struggle for independence. And in the course of national development, we have always treated each other as equals."

Desalegn responded: "Our relationship is a strategic relationship and it is not only for one year or two years or some years only. It is a strategic relationship. It is growing from time to time, strengthening from day to day, and we want to nurture and expand this relationship between our two countries."

Chinese Commerce Minister Gao Hucheng said in Addis Abeba the following day that Li's visit will inject vitality into China-Africa economic and trade cooperation. Gao indicated that infrastructure construction to improve regional inter-connectivity is vital for Africa's economic integration, He said that China, with a competitive advantage in this regard, intends to deepen cooperation on road, railway, port, aviation, electricity, and communications, and that Li's visit is aimed to push forward such projects.

Gao further indicated that this China-aided development will facilitate the shift of Chinese industries—such as manufacturing—to Africa, helping the growth and prosperity of "Made in Africa," and making investment the pivot of a closer, more inclusive and sustainable China-Africa economic and trade relationship.

In sharp contrast to the policies of the British finan-

46 Economics EIR May 16, 2014

cial empire, Li said today that China will continue to help its African friends improve their living standards, offering more favorable policies in such areas as agriculture, medicine, environment, and education, while emphasizing friendship, fast economic growth, and complementary advantages as the pillars supporting their economic and trade ties in a new era.

Li took note of the rapid growth of China-Africa bilateral trade over recent years and advocated raising the volume from \$210 billion in 2013, to \$400 billion by 2020.

Gao said today that China has been Africa's largest trading partner for five consecutive years. He also noted that the fast growth of contracted projects signed between the two sides has made Africa China's second-largest contracting market overseas.

Li also emphasized China's intention to increase training of technicians and management personnel for Africa over the next five years, with 18,000 government scholarships and training of 30,000 professionals. He also pledged to help in security problems in Africa.

**Nigeria:** While in Nigeria, China's third-largest trading partner in Africa, Li said he wanted to quadruple Chinese investments in Africa as a whole, and strengthen trade ties. He spoke about exploring new areas of cooperation, in such areas as aviation and aerospace. With respect to the attacks on the government and on stability in the country by the jihadist Boko Haram militants, Li agreed to provide Nigeria with intelligence from Chinese satellites and intelligence services.

Angola: With its largest trading partner in Africa (it is the second-biggest supplier of oil to China), Li made agreements on financing and manufacturing. A Memorandum of Understanding was signed with Chinese companies to build mega-infrastructure projects. There are 258,000 Chinese living in Angola, who work for Chinese companies which have contracted on projects for the Angolan government.

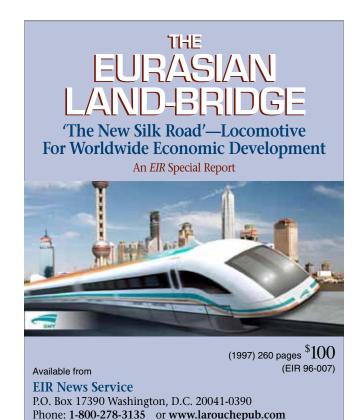
In an interview before Li's trip, with the Angolan press agency, the Angolan ambassador to China, Garcia Bires, said that bilateral cooperation between the two countries included the presence in Angola of various Chinese companies investing in reconstruction and development projects.

Bires pointed out that these projects have developed previously undeveloped areas in Angola which are being transformed today into villages and modern cities. He also noted that formerly problematic roads are now highways, and other infrastructures are emerging in all parts of Angola.

**Kenya:** On his arrival here, Li had no qualms about being greeted by President Uhuru Kenyatta and Vice President William Ruto, who allied to form the winning ticket in the last elections; both have been targeted by the British financial empire's International Criminal Court (ICC).

Before Li's arrival, Kenyatta said that Li's visit would be a game-changer for bilateral relations, and crucial for development of the nations in the eastern region of Africa. China is now the largest direct investor in Kenya, and is funding 90% of the first phase of a \$3.6 billion rail link from the port of Mombassa, to Nairobi, which will be a modern standard-gauge railroad, replacing the British colonial model. The railroad is intended to continue past Nairobi, and link land-locked Uganda and Rwanda to the sea. Present with Li and Kenyatta at the signing today were: Rwandan President Paul Kagame, Uganda President Yoweri Museveni, and South Sudan President Salva Kiir.

Kenya became the first foreign post for the Chinese television network CCTV, two years ago, and Li met the staff before departing for home today.



May 16, 2014 EIR Economics 47