

Central Intelligence Agency



Washington, D.C. 20505

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DIRECTORATE OF INTELLIGENCE

24 February 1983

China-Africa: Premier Zhao's Eleven-Nation Tour

Summary

Beijing used Premier Zhao Ziyang's month-long tour of Africa--the first of its kind since Zhou Enlai's swing through Africa in 1963-64--to dramatize its renewed interest in forging close ties with the Third World. The trip, which included talks with African leaders of varying political hues, is a direct outgrowth of China's efforts since 1980 to establish an "independent" foreign policy line and to offer itself as an alternative to the US and the USSR. Beijing refused to commit itself to much new economic and military assistance, but China's leaders probably believe that their strong diplomatic backing on political issues of interest to the Africans and efforts to promote commercial relations will lead to stronger bilateral ties over the long run. [redacted]

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China's media have been touting the success of Premier Zhao's December-January visit, citing the warm treatment Zhao received in most of the countries he visited and the common views expressed on numerous political and economic issues. The Africans welcomed the Chinese Premier's extensive visit as a demonstration of China's renewed concern for African problems. Many African leaders also were pleased by Beijing's willingness to assume a higher profile on contentious issues such as apartheid and the Palestinian problem and they echoed Zhao's call for increased South-South cooperation. Nevertheless, there were expressions of disappointment with the paucity of new Chinese aid commitments even though the Africans did not have high expectations. [redacted]

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This memorandum was prepared by [redacted] the Office of East Asian Analysis, China Foreign Affairs Branch.

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The trip epitomizes China's low-cost effort to improve its standing with Third World countries, offering political backing in return for support on issues, such as Kampuchea and Afghanistan, that matter to Beijing. Beijing hoped to repair the damage to Sino-African relations [redacted]

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[redacted] At most of his stops, Zhao charged that superpower rivalry was the main source of political and economic instability in Africa and the rest of the Third World. In an effort to eliminate the Africans' tendency to associate Chinese policy with the US, Zhao singled out unpopular US policies in the Middle East and southern Africa for criticism. At the same time, he avoided caustic references to either the US or the USSR in public--partially out of deference to African sensitivities. In private, however, Zhao probably warned most of his hosts about Soviet intentions on the continent and the dangers of dependence on the USSR for military assistance. [redacted]

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Zhao's meetings with PLO chief Arafat and with representatives of the South-West Africa People's Organization and the leaders of the African National Congress and the Pan-African Congress enabled him to demonstrate Beijing's support for "liberation" movements. Beijing no doubt is concerned that Moscow has become the sole heir of African revolutionary groups. By renewing ties with SWAPO and opening up a dialogue with the ANC, Beijing probably hopes to contrast its indiscriminating policy with Moscow's more partisan support. [redacted]

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Despite Zhao's strong rhetorical comments, including his remark in Zambia that "a revolutionary storm is brewing in southern Africa," we believe that several factors will continue to limit Chinese assistance to insurgent groups in southern Africa:

- Beijing continues to place the highest priority on its own economic modernization program and will be unwilling to spend large sums in an area so far removed from its immediate concerns.
- The Chinese have received little in the way of political returns on their past investments in African revolutionary movements. The groups they supported often either turned to the USSR after liberation, as was the case in Mozambique, or lost out to Soviet-backed organizations, as in Angola.
- Beijing apparently sees little prospect for forcefully overthrowing the South African authorities in the near term and it believes that endemic instability in the region plays into Soviet hands. China, therefore, continues to see Western diplomatic and economic pressure on South Africa as the best method of making Pretoria change its apartheid policies.

--Chinese support of insurgency groups is designed to please the Frontline States. Beijing recognizes that these states fear South African reprisals if the insurgent groups operate unchecked and would not welcome heavy Chinese assistance to the insurgents.

--China, we believe, will continue to monitor SWAPO and ANC ties to their major benefactor--the USSR--before committing more than token aid. [redacted]

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In addition to enhancing China's political capital in Africa, the tour also is aimed at increasing China's economic opportunities in the region. In 1981, China recorded a \$6.1 billion trade surplus with the developing world, compared to a deficit of more than \$2.8 billion with the West and Japan. Total trade with Africa reached \$1.1 billion in 1981, and China's trade surplus with the region amounted to \$442 million. Although China wants to maintain a surplus, at least two countries on the tour, Algeria and Kenya, indicated to the Chinese delegation that it could become an irritant in bilateral relations. (see table 1) [redacted]

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At most of his stops Zhao offered to conclude trade and economic cooperation agreements as Beijing's contribution to the economic development of Third World nations. These agreements, which emphasize joint investment in small projects, are intended to partially compensate for the decline in China's foreign aid to Africa. African states received over half of the \$4 billion in foreign aid China extended in the 1950's and 1960's, but their priority and share have decreased since the mid-1970's. (see table 2) [redacted]

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While the Chinese did not agree to any major new aid projects, they did agree to reschedule past loans to Zaire and certain other African countries that are suffering from balance-of-payments problems. Beijing apparently decided that since those countries are unlikely to ever repay their debt, such a move at least would generate some political benefits. Nevertheless, Beijing reportedly will discontinue its policy of offering long-term low-interest loans to these countries and will instead encourage barter arrangements to avoid the economic losses associated with its past policies. [redacted]

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This in part reflects Beijing's unhappiness with the results of its earlier expensive aid projects, especially the Tazara railway linking Tanzania and Zambia--Beijing's most ambitious foreign aid project to date. Tazara continues to be a headache after years of Chinese effort and expense and Chinese officials have complained that it resulted in few gains in political influence. This pessimistic assessment and China's own domestic economic needs will continue to impose limits on aid to Third

World countries. Nevertheless, the few new aid projects initialled on this trip demonstrate China's willingness to continue modest assistance on a selective basis to protect its political equities and to lay the groundwork for what may be a more lucrative economic relationship in the future. [redacted]

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The Tour

Egypt: 20 Dec.-24 Dec. 1982

The Egyptians read some importance into the fact that Zhao made Cairo the starting point of his tour. Egypt and other moderate Arab states also were probably quietly pleased that Zhao left Libya off his itinerary despite Qadafi's visit to Beijing in late October. The Chinese Premier weighed in on Egypt's side by explicitly recognizing Israel's right to exist. At the same time Zhao made it clear that China presently has no intention of recognizing Israel. Zhao's frequent praise of the Fez summit peace proposals during the remainder of his tour was qualified by his statements that China welcomes all "reasonable" and "just" solutions to settlement of the Arab-Israeli dispute. [redacted]

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The only major deal of the trip--a commercial contract for 70 Mig-21 fighter aircraft--was signed in Cairo. A tentative agreement on the deal was reached early last year, but was delayed due to financing and engineering problems. The Egyptians also expressed an interest in Chinese participation in a number of joint projects. [redacted]

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Algeria: 24 Dec.-27 Dec. 1982

The US embassy in Algiers reports that there were no surprises and no concrete results but adds that the visit was important in further consolidating Sino-Algerian relations. The Algerians also reportedly saw it as a primary step toward a reinvigorated Chinese interest in African affairs which the Algerians welcome as a potential means of balancing Soviet influence. Zhao met with Yasir Arafat, underscoring China's recognition of the PLO as the sole legitimate representative of the Palestinians. [redacted]

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The Algerians expressed the view that China is sufficiently advanced technologically to be a viable economic partner. At the same time they made it clear to the Chinese delegation that Algeria was concerned about China's growing trade surplus with Africa. [redacted]

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Morocco: 27 Dec.-30 Dec. 1982

This stop was reported to be long on rhetoric, leading the Moroccans to complain that not much was accomplished. Zhao praised King Hassan's role in promoting Arab unity and, in private talks he probably approved of Morocco's proposal for a plebiscite on the Western Sahara. The Moroccans would clearly

appreciate this tacit Chinese support and China's continuing nonrecognition of the Polisario Front. The Moroccan Foreign Minister informed US embassy officials that Zhao took a tough anti-Soviet position in private discussions. [redacted]

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The Moroccans reportedly put forward a number of concrete proposals for economic and military assistance but the Chinese demurred, saying they did not have the resources. The Chinese did agree to look into several projects and less than one month after Zhao's visit a trade agreement was signed which included an exchange of technical experts. [redacted]

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Guinea: 30 Dec. 1982 - 1 Jan. 1983

The US embassy Conakry reported that Zhao's talks with Guinean leaders reinforced bilateral relations despite the absence of substantive agreements. Guinean President Toure agreed to visit China in the near future. [redacted]

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Toure's effusive praise of Chinese assistance programs was interpreted by most observers in Conakry as a swipe at the USSR--Guinea's erstwhile benefactor. [redacted]

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Gabon: 1 Jan.-2 Jan. 1983

Gabon was a last minute addition to Zhao's itinerary at the specific request of the Gabonese government. According to press reports, the Chinese agreed to expand economic cooperation, which probably means they will increase the number of technicians in Gabon. [redacted]

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Zaire: 2 Jan.-4 Jan. 1983

The Chinese delegation worked out an agreement with Zaire's leaders, allowing Zaire to repay a \$100 million debt with Zairian currency for Kinshasa's share of the cost of joint Sino-Zairean projects. This gesture cost the Chinese little; Zaire in effect would have defaulted on the loan anyway and the Chinese would have had to pay the local cost of the projects themselves. Zaire reportedly agreed that future economic cooperation could in part be in the form of joint ventures. [redacted]

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Congo: 4 Jan.-5 Jan. 1983

Zhao was well-received in Brazzaville; in fact, the banquet held in his honor reportedly turned into a "love feast." [redacted] an economic aid agreement

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covering a five-year period was signed. The Chinese also contracted to build a dam at a cost of \$135 million, although it was not clear if this was to be in the form of aid or a commercial deal.

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Zambia: 5 Jan.-9 Jan 1983

Zhao was effusively praised by Zambian President Kaunda during the longest stop of the tour.

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The Chinese have been unhappy with their limited political influence in Lusaka even though Zambia has been one of its major aid recipients.

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Kaunda was probably catering to his Chinese guest in order to secure Zhao's agreement to reschedule loans that Lusaka owes Beijing as part of the \$400 million in loans to Zambia and Tanzania for the construction of the Tanzania-Zambia railway.

China recognizes that neither Zambia nor Tanzania is in a position to start making the payments due this year. The Chinese are hoping to secure a symbolic payment at least and then would be willing to allow the payments to slip until Tanzania and Zambia can pay.

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While in Lusaka, Zhao met with representatives of the South-West Africa People's Organization and the president of the African National Congress, Oliver Tambo.

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The meeting with the ANC was unprecedented and represents a significant departure from past ANC policy of avoiding the Chinese. In his discussions with Zhao, Tambo requested material aid, but the Chinese premiere said that the ANC would first have to send a delegation to Beijing.

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Zimbabwe: 9 Jan.-11 Jan. 1983

Beijing considers Zhao's stopover in Harare an unqualified success. In fact, official

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Zimbabwean efforts to demonstrate enthusiasm for the visit at times got out of control--five people were killed in a crowd stampede at the airport during Zhao's arrival. [redacted]

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[redacted] several aid packages were signed, the largest of which included a Chinese commitment to build a sports complex. A joint textile venture was also discussed.

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Military aid discussions included training for Zimbabwean pilots and aircraft procurement. [redacted]

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Tanzania: 11 Jan.-15 Jan. 1983

The US Embassy in Dar es Salaam reported that the visit was considered highly successful by both parties although few new agreements were reached. The Tanzanians reportedly felt that the high-level visit demonstrated Chinese interest in Tanzanian and African affairs. [redacted]

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Zhao singled out the Chinese-Tanzanian Joint Shipping Line as a well-run enterprise--obviously contrasting it with the Tazara Railway--and suggested that it embodied the principles of equality and mutual benefit that he outlined in his discussions of economic cooperation. The Chinese knew that the Tanzanians would be no more able to meet their obligations relating to the Tazara than the Zambians, but Beijing is willing to look the other way until the Tanzanians are able to pay. [redacted]

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Zhao held talks with Pan-Africanist Congress leader Pokela during his stay. [redacted]

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During Zhao's stay, Beijing announced that China and Angola had reached an agreement to establish diplomatic relations. Mutual recognition was announced last September but the two sides had been unable to agree on the modalities of formal relations. [redacted]

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Kenya: 15 Jan-17 Jan 1983

Zhao emphasized the importance of the Organization of African Unity in his talks with Kenyan President Moi, who is

presently the organization's chairman. The most important aspect of the trip in Kenyan eyes, however, may have been the exclusion of Somalia from Zhao's itinerary. The Chinese agreed to purchase more Kenyan products to help balance bilateral trade.

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APPENDIX A

TABLE 1China: Trade with Africa 1971-1981*

million US dollars

	<u>Exports</u>	<u>Imports</u>	<u>Balance</u>
1971	243	174	69
1972	256	186	70
1973	376	195	181
1974	514	212	302
1975	457	211	246
1976	495	151	344
1977	532	240	292
1978	702	269	433
1979	552	312	240
1980	667	366	291
1981	756	314	442



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*Exports and imports are measured Free-on-board (FOB).

TABLE 2

China: Economic Aid Extended To Africa

million US dollars

<u>Recipient</u>	<u>1959-74</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982(a)</u>	<u>Total</u>
TOTAL	2,147.3	319.2	118.9	134.2	105.6	39.1	236.4	57.4	10.0	3,168.1
NORTH AFRICA	218.7	35.0	..	57.0	20.0	..	..	..	..	330.7
ALGERIA	92.0	..	..	..	..	..	..	..	..	92.0
MAURITANIA	86.7	..	..	..	..	..	..	..	..	86.7
MOROCCO	..	35.0	..	..	20.0	..	..	..	..	55.0
TUNISIA	40.0	..	..	57.0	..	..	..	..	..	97.0
SUB-SAHARAN AFRICA	1,928.6	284.2	118.9	77.2	85.6	39.1	236.4	57.4	10.0	2,837.4
BENIN	44.0	..	..	..	..	..	..	..	..	44.0
BOTSWANA	..	..	16.6	..	..	..	..	..	..	16.6
BURUNDI	20.0	..	..	..	..	38.0	..	..	..	58.0
CAMEROON	71.0	..	..	32.4	..	..	..	..	..	103.4
CAPE VERDE	..	..	..	15.3	1.5	0.1	..	..	..	16.9
CENTRAL AFRICAN REPUBLIC	4.0	..	10.0	..	0.2	..	..	..	..	14.2
CHAD	50.6	17.0	..	..	..	..	..	..	..	67.6
COMOROS	..	..	NA	..	..	..	..	..	..	NA
CONGO	69.2	..	..	6.0	..	..	36.4	..	..	111.6
DJIBOUTI	..	..	..	..	..	..	30.0	..	..	30.0
EQUATORIAL GUINEA	24.1	..	..	..	..	..	..	..	..	24.1
ETHIOPIA	85.8	..	16.7	..	..	..	36.0	..	..	138.5
GABON	..	25.0	..	..	..	..	..	..	..	25.0
GAMBIA	..	26.8	..	..	..	..	..	..	..	26.8
GHANA	42.0	..	..	..	..	..	..	..	..	42.0
GUINEA	98.8	..	..	..	0.7	..	34.0	..	10.0	143.5
GUINEA BISSAU	..	16.6	..	..	..	..	..	..	..	16.6
KENYA	17.9	..	..	..	..	..	46.4	..	..	64.3
LIBERIA	..	..	..	23.0	..	..	..	..	..	23.0
MADAGASCAR	11.3	57.5	20.6	..	..	..	..	..	..	89.4

TABLE 2 Continued

<u>Recipient</u>	<u>1959-74</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total</u>
MALI	124.1	2.4	..	..	..	..	..	0.4	..	126.9
MAURITIUS	35.2	..	..	..	..	..	..	..	..	35.2
MOZAMBIQUE	..	59.3	..	0.5	..	..	4.4	..	..	64.2
NIGER	52.3	..	..	..	..	..	..	..	..	52.3
RWANDA	22.2	..	..	..	34.3	..	..	..	..	56.5
SAO TOME PRINCIPE	..	17.6	..	..	..	0.7	..	..	..	18.3
SENEGAL	51.8	..	..	..	0.1	..	..	..	..	51.9
SEYCHELLES	..	..	..	..	3.5	..	..	..	..	3.5
SIERRA LEONE	61.2	..	..	..	..	..	..	..	..	61.2
SOMALIA	136.3	0.5	..	..	18.0	..	9.7	..	..	164.5
SUDAN	81.6	..	..	..	0.3	..	..	57.0	..	138.9
TANZANIA	334.5	..	27.5	..	..	..	6.5	..	..	368.5
TOGO	45.0	0.5	..	..	..	..	..	..	..	45.5
UGANDA	15.0	..	..	..	26.5	..	..	..	..	41.5
UPPER VOLTA	50.8	..	..	..	0.2	..	..	..	..	51.0
ZAIRE	100.0	37.0	..	..	0.3	0.3	..	..	..	137.6
ZAMBIA	279.9	24.0	27.5	6.5	337.9
ZIMBABWE	26.5	26.5

(a) Data for 1982 are preliminary.

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