

Exporting Zones to Africa: The New Strategy of Asian Powers

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As China constructs seven Special Economic Zones in Africa, the topography of the continent literally changes. A successful model of development at home, China announced the exportation of its SEZ concept to Africa at FOCAC 2006. Since, conjectures describing SEZs as measures for China to systematically secure natural resources and reach African markets have flooded. However, these assumptions are silenced by the fact that neither Central PRC government nor host countries initiate SEZs. Instead, they are profit-driven public-private partnership projects (Brautigam 2009). While China's aid-trade strategy already secured access to resources and markets, SEZs diverge towards the acquisition of land and presence (Gopalakrishnan 2011). Media indicates strife amongst China, Saudi Arabia and India to possess space for cultivation (FAO, IIED & IFAD 2009). But unlike Saudi Arabia and India's unplanned land acquisition processes, SEZs promise China an organised way of affirming its long-term presence among Africans. On its side, Africa expect SEZs to bring development, technology, foreign exchange, employment and domestic linkages. However, areas in which SEZ investments begin (real estate, tourism) are unlikely to deliver those. Despite this improbability of high domestic capital accumulation, SEZs cannot be deemed exploitative because African governments are willing to be utilized. What then make SEZs so appealing to Africa?

1. Spatial Diffusion Approach: China's 'We come to you' approach, host-country customization versus Western eurocentric approach.
2. FDI instead of trade: A rather one-way investment, promising shared yields. Structured investment by SEZs displace Official Development Assistances and trade concessions to become Africa's Best Alternative to a Negotiated Agreement.

As this new Chinese strategy challenges competitors like India, Africa use SEZs as negotiation leverage to play both powers against each other and benefits doubly. In 2009, the Mauritian Minister of Finance stated: 'The dream of making Mauritius a business gateway to Africa for countries like China and India is now a reality.' The physical grasp that SEZs give China into Africa clearly inspires India as the latter launches the construction of zones in Africa – the first one being the Mauritian integrated zone project. This opens a new chapter in the scramble for Africa.