

India & China influence in Africa

China and India, both members of the BRICS, are in competition with one another for the position of global south leader. Beijing and New Delhi, both utilizing their own capabilities that influence international institutions and alliances, are pursuing different but internationally significant agendas as Western dominance dwindles. The decision between China and India to lead the global south is important for African countries, where development and sovereignty in decision-making are crucial. Each has benefits and drawbacks that could affect Africa's future. Their remarks and actions indicate intent, even if neither has formally announced a campaign for this position. India's leadership vision is in line with its role in promoting more equitable representation in global governance and south-south cooperation at fora like the G20. China has demonstrated a claim to leadership based on economic might through its muscular diplomacy, especially through the Belt and Road Initiative (BRI), and its growing investments in infrastructure projects in Africa and Latin America.

In acknowledgment of the long-standing affinities, Jawaharlal Nehru, India's first prime minister, referred to Africa as his "sister continent." India's prime ministers have travelled to Africa 76 times since the 1960s, which is more than any other foreign partner in Africa has done. Over 100 African presidents visited New Delhi between 2015 and 2022, and an Indian cabinet official visited each African nation. Culture, education, trade, energy, agriculture, maritime security, peacekeeping, professional military training, and technical collaboration are all areas of Indo-African ties. At the September 2023 New Delhi Summit, the African Union was admitted as a full member of the G-20, partly due to intense Indian advocacy activities. Prime Minister Narendra Modi referred to Africa as "India's top priority," saying that the term "Global South" is more than just a diplomatic one. Together, we have fought against colonialism and racism throughout our shared history. Mahatma Gandhi employed effective nonviolent and peaceful resistance strategies on African land. We are forming our contemporary relationships on this solid historical basis. As a link between the global north and south, India is quickly establishing a significant position in the new global order. India has adeptly navigated a number of conflicting interests and forums by utilizing its economic potential and newly acquired political influence as the self-appointed voice of the south.

Since 2003, trading between India and Africa has increased by 18% yearly, reaching \$103 billion in 2023. India is now Africa's third-largest trading partner, behind China and the European Union. By 2030, the influential Confederation of Indian Industry hopes to have increased India's total investments in Africa from \$70 billion to \$150 billion. Leading investor and entrepreneur Aly-Khan Satchu, who is Kenyan Indian, observes that "India's distinctive story in Africa gives texture to its strategic engagement."

The percentage of investment in Africa has significantly increased during the past five years. Africa ranked as the fifth target for investment by Indian companies between 2013 and 2018. On the other hand, Africa is now the world's top regional destination for Indian investment between 2018 and 2023. This shift in dynamics emphasizes how these two geographical regions are becoming closer to one another in order to exchange ideas and build a strong African development dynamic. As previously said, the cultural proximity of these two geographical zones has facilitated the process of exchange between the inhabitants of these two countries. The 2021 bilateral free-trade agreement between Maurice and India, whose population is composed of 68% Indo-Mauritians, suggests that the Indian government has a more localized vision for its diasporic implantations in Africa. This alliance between the two nations demonstrates Maurice's strategic significance as a real gateway to Africa for India. Due to the large Indian diaspora in Africa (three million people), the strategy adopted is the growth of PME in India on the African continent. Discussions on government trips are now focused on facilitating the growth of these PME, which are included into local African economic management. They are run by the descendants of immigrants who have successfully assimilated into the societies in which they live, especially in Ghana, South Africa, or East Africa. The primary areas of involvement include banking, mining, IT, pharmaceuticals, and automobiles, but other companies are also performing well in other industries. Vehicles and parts, transportation equipment, pharmaceuticals and medications, engineering products, footwear, dyes and intermediates, textiles, rice, gems and jewellery, and more are among India's top exports to South Africa. Gold, steam coal, copper ores and concentrates, phosphoric acid, manganese ore, aluminium ingots, and other minerals are among the main items that India imports from South Africa. On April 10, 2020, India made it easier for South Africa to import roughly 25 million paracetamol tablets and 0.5 million 200 mg hydroxychloroquine tablets. In South Africa, there are roughly 130 Indian businesses and roughly 20 South African businesses in India.

Commercial relations have flourished since the establishment of diplomatic relations in 1993. Recent bilateral trade figures are as follows:

Figures in million US\$	2014-15	2015-16	2016-17	2017-18	2018- 19	2019-20	2020-21
India's Exports	5,301.99	3588.74	3545.95	3825.21	4,067.20	4108.17	3934.20
India's Imports	6,496.52	5948.42	5833.75	6834.70	6,517.33	6969.79	7,570.79
Total Trade	11798.51	9537.16	9379.71	10,659.91	10,584.53	11,077.97	11504.99

China's geopolitical influence over Africa was strengthened during the 2024 Forum for China-Africa Cooperation (FOCAC) meeting, which took place in Beijing from September 4–6. Founded

in 2000, the FOCAC convenes at triennial summits. "Joining Hands to Advance Modernization and Build a High-Level China-Africa Community with a Shared Future" was the topic of the ninth summit. The Beijing Declaration on "Jointly Building an All-Weather China-Africa Community with a Shared Future for the New Era" was adopted at the event, which was attended by China and 53 African countries. In what China refers to as the "new era," China's increasing influence in Africa has significantly upended both the continent's long-standing geopolitical structures and African perceptions of China. A third of the world's population, or 2.8 billion people, live in China and Africa combined. Africa is home to the greatest number of developing nations, while China has the largest developing economy in the world. Engagement between China and Africa extends back to before the colonial era. The Ming era treasure fleet was known to have visited East Africa during Admiral Zheng He's naval diplomacy expeditions in the fifteenth century. China and Africa were both subject to colonial authority as European powers grew.

China negotiated commercial agreements with Guinea, South Africa, Sudan, Algeria, and Egypt in the 1950s. Beginning with the building of the Tanzania-Zambia railway in the 1970s, China's investment in Africa has expanded quickly since 2004. The Tanzania-Zambia railway, which China constructed in the 1970s, came to represent China's role in the economic growth of Africa. For roughly US\$20 million, China bought an 85% share in the Chambishi copper mine in 1998. As part of its "Going Out" strategy, China's investment in Africa increased dramatically in the 2000s, particularly in the mining industry. The Chinese government implemented policies in 2004 to promote foreign investment, including investment funds.

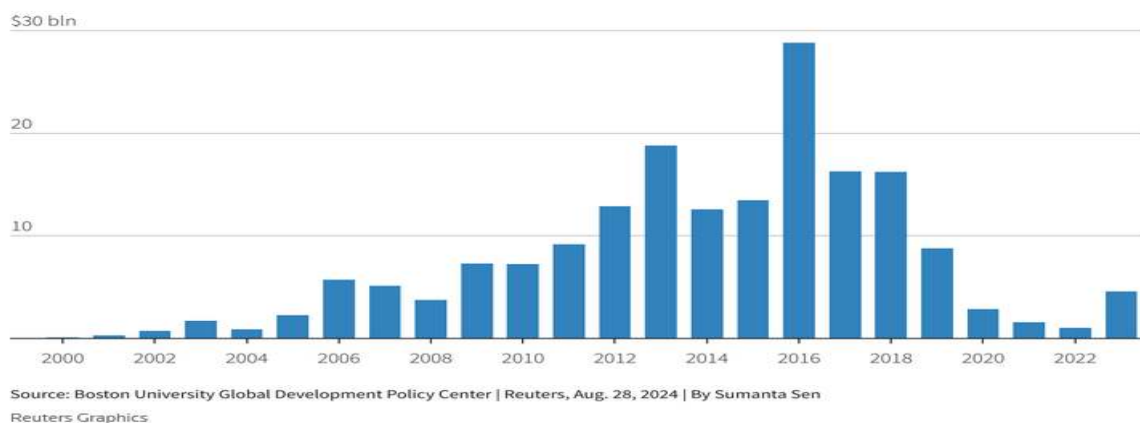
African leaders will undoubtedly seek to draw in more Chinese funding and investment when they visit this year's 8th Forum on China-Africa Cooperation in Beijing. Every three years, the meeting serves as a coordination tool between China and African countries. It seeks to advance China-African investment, trade, security, and diplomacy. China has made investments in Africa in the form of airports, hospitals, ports, urban rail, dams, and highways. Since 2000, China has given African nations grants and loans totalling more than US\$170 billion. Through the Belt and Road Initiative, China has had an impact on the urbanization of Africa. Also, the infrastructure project was started in 2013 with the goal of establishing a network of commerce and economic channels that would link China with the rest of the globe. Of the 54 African countries, 44 had ratified the Belt and Road Initiative as of December 2023. China is thought to have contributed 2.5 times as much to the development of African infrastructure through this program as all Western nations put together. During the last summit in September 2024, 53 of the 54 African countries currently have strategic agreements with China, with investments ranging from agriculture to industry.

Large-scale developments have been financed in part by Chinese investments in Africa, but these investments have also left African nations burdened with debt payments. Zambia's debt to China, for instance, skyrocketed to about \$34 billion by the end of 2021. The Chinese leader promised

to provide 360 billion yuan (\$50.70 billion) in financial aid over three years, with at least 70 billion coming from new Chinese company investments and 210 billion going through credit lines. Military assistance and other initiatives would contribute smaller sums. China pledged at least \$10 billion in investment and credit lines during the 2021 China-Africa summit in Dakar. In a clear attempt to further globalize the Chinese currency, the financial aid would be in yuan this time. China has committed to launching 20 initiatives for health facilities and malaria treatment, as well as sending 2,000 medical personnel to the continent. In 2022, 94% of the world's malaria cases (233 million) and 95% of its malaria-related deaths (580,000) occurred in Africa, according to the WHO.

China's loans to Africa rise in 2023

In 2023, Chinese lenders provided loans worth \$4.61 billion to African nations and financial institutions, the highest amount since 2019.



By the end of 2023, President Modi has promised to invest nearly \$14 billion in Nigeria. For example, *Jindal Steel and Power* has pledged to inject \$3 billion into the steel industry. Since January 2024, nearly \$7 billion has already been invested throughout the country. According to Indian representatives in Nigeria, 150 Indian companies are present in the country, and have invested around \$27 billion, mainly in the manufacturing sector. These investments are facilitated by the promotion of cooperation with local populations, in particular through the creation of jobs through their SMEs. While the Chinese invest massively in Nigeria's strategic sectors (following a traditional logic), the Indians follow a more relaxed investment policy, particularly when it comes to financial loan clauses. For example, the majority of the \$934 million Port of Abidjan extension project has been financed by a loan from China, making it both the largest China-led project in Côte d'Ivoire and perhaps the largest Chinese investment in port infrastructure in Africa. India and China have thus adopted particularly divergent, if not opposing, strategies for setting up and investing in Africa. While one focuses more on massive FDI in strategic sectors and investments, the other relies on local populations and a more informal framework to establish its influence.

Africa can create a diverse, well-balanced strategy to development that reduces reliance on a single partner by interacting with both China and India. Through this dual engagement, African countries may take advantage of India's people-centered efforts that promote independence and skills while also using China's resources to satisfy their pressing infrastructural needs. By doing this, Africa may use both of their capabilities to further its interests and demonstrate its agency on the international scene.