China In Africa. An Analysis Of The Bilateral Relations Between China And Angola Over The Past 10 Years.

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Declaration

I, Rudo Lavender Chaparadza, hereby declare that this research report, submitted to the University of the Witwatersrand, Johannesburg for the degree of Master of Arts in International Relations is my own work. It has not been submitted for any other degree or examination at any other university for degree purposes.

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Rudo Lavender Chaparadza

Signed on the________________ day of_______________________, 2011
Abstract

The beginning of the 21st century coincided with China’s “going global” strategy. During this period, China increased its engagement with many African countries and this was particularly driven by the need to secure its energy resources and markets. China’s engagements with African countries coincided with the end of the protracted civil war in Angola which brought about a significant shift in the geopolitical dynamics in Southern Africa. During this period Angola embarked on a national reconstruction programme to repair its infrastructure which had been damaged by the war. As the country could not find any help from western countries and international financial organisations, China came to its rescue by providing large sums of oil-backed loans. As a result trade figures rose between the two with China becoming the largest importer of Angolan oil and a major player in the reconstruction of Angola, thus significantly contributing to Angola’s post-war growth. This paper will demonstrate that oil is the basis of economic ties between the two countries today and that Chinese investments in Angola, especially those in the construction sector, have positively impacted on the Angolan economy and the Angolan population at large. The study also highlights the negative effects of the relationship between the two and also makes recommendations on how both countries can maximise on the existing relationship.
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Dedication

This research report is dedicated to my late father Mr Godwill Chaparadza. Thank you very much daddy for the love and support that you gave me; it’s a pity you could not live up to see the results.
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Acronyms

AAPC: All-African Peoples' Conference
AfDB: African Development Bank
BOP: Balance of Payment
BP: British Petroleum
CEIEC: China National Electronics Import and Export Corp
CFL: Caminhos de Ferro de Luanda
CICM: China Infrastructure Capital Management
CITIC: China International Trust and Investment Corporation
CMEC/CMIC: China National Machinery and Equipment Import and Export Corporation
CNPC: China National Petroleum Corporation
COVEC: China Overseas Engineering Group Company
CRBC: China Road and Bridge Corporation
DRC: Democratic Republic of Congo
EU: European Union
Exim Bank: Export and Import Bank
FLEC: Front for the Liberation of the Enclave of Cabinda
FNLA: National Liberation Front of Angola
FOCAC: Forum on China-Africa Cooperation
GDP: Gross Domestic Product
GRN: National Reconstruction Office
IFI: International Financial Institutions
IMF: International Monetary Fund
MDG: Millennium Development Goals
MNC: Multi-national Cooperation
MPLA: People's Movement for the Liberation of Angola
NAM: Non Aligned Movement
NGO: Non Governmental Organisations
ONGC: Indian Oil and Natural Gas Corporation
OPEC: Organisation of Petroleum Exporting Countries
SAIIA: South African Institute of International Affairs
Sinopec: China Petroleum and Chemical Corporation
SOEs: State Owned Enterprises
SSI: Sonangol-Sinopec International
SUCG-CN: Shanghai Urban Construction Group
UNITA: National Union for the Total Independence of Angola
US: United States of America
USSR: Union of Soviet Socialist Republics
WB: World Bank