



Horn Institute for Peace and Development

**SOMALIA – CHINA
RELATIONS**

Policy Brief

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Introduction

China –the most populous, second largest economy in the world and among the top five most militarized countries in the world is located in Southeast Asia, surrounded by the East China Sea, the Gulf of Korea, the Yellow Sea, the South China Sea, North Korea, and Vietnam. Administratively, China is divided into 23 provinces, including Taiwan, five autonomous regions and four municipalities.

China has a long history of relations with the African continent. The connection evolved and getting depth over the past five decades. We can split the time frame into three separate periods; the first period of relation took place when the African nations gained their independence from the colony and start diplomatic ties with China. Then in 1971, when China secured a permanent seat in the UN Security Council. The Final Period was characterized as liberalization and successive escalation of global Chinese economy.

To ascertain, the Forum on China-Africa Cooperation (FOCAC), showed up as an evidence for strengthening these relations between the continent and the Peoples' Republic of China (PRC). To be specific, Somalia and China relations dates back to the beginning of Somalia's independence in 1960.

This brief explores the historical background and future prospects of China and Somalia relations, and to give a couple of recommendations on how to sustain this relation in a fruitful way to safeguard Somalis' national interest.

FACTS ABOUT SINO-AFRICAN RELATIONS

Among other things, China- Africa relations seem to be hinged on countering the political hegemonic tendencies of tradition western powers. There is a famous quote that says "*The sun has set in the West and has risen from East*" By Robert Mugabe - Former Zimbabwe president. He was showing how his (and Africa's) confidence in the rise of China and demonstrating the diminishing popularity or influence of western powers in African affairs.

The Chinese interest in Africa is based on four major areas, Diplomatic, Economic, Military and information. In other words, the brief explains these areas as follows; access to natural resource, raise the Chinese international influence and image, searching market for its large manpower,

exports and engaging in global governance by contributing to the stability of regions to safeguard its national interests.

China seems like a protective actor to many African political leaders; China provides an alternative to the traditional western allies who appeared to interfere in internal affairs of other states by insisting on human rights and democracy. Using its position of permanent seat in UN Secretary Council, China has been able to attract African states into Afro-Sino alliances.

Moreover, besides China giving unconditional loans to many African nations, it also invests in mega projects in infrastructures mainly the three networks of roads, railways and airports. China has perfected its art of soft power diplomacy by providing humanitarian assistance, scholarships to African students to study in China, establishing Confucius language institutes in African universities and widening its media platform such as CCTG programmes in African languages. All these appear to have contributed China winning the hearts and mind of many African countries.

SOMALI CHINA HISTORICAL RELATIONSHIP

Two years after the independence, the Somali and Chinese governments signed the first trade agreements in June 1963. In fact during the Cold War rivalry between global powers, Somalia strengthened its relations with China and joined a majority of other African countries to campaign for China to join the United Nations Security Council.

By the end of 1970s China and Somalia signed another agreement to develop the project of Fanole which was successfully operational on 23rd October 1982. However, following the collapse of the central government of Somalia, the operations of the Chinese embassy in Mogadishu were shut down in January 1991.

During the transitional period of Somalia government, Beijing government has launched many developmental projects in Somalia including economic assistance and healthcare support. In this period, following the high level visits in China made by the president of the transitional government of Somalia- Hassan Sheik Mohamud, the Chinese government signed oil exploration in the Puntland state of Somalia. The Chinese government also started to provide educational opportunities to Somali students through Scholarships.

Chinese Foreign Minister Wang Yi made remarks during talks with Deputy Prime Minister and Foreign Minister Fawzia Yusuf, who visited China in September 2013, on a one-week official visit. "The Chinese people will never forget that Somalia was the first East African country to establish diplomatic relations with China and among the African countries that helped China regain its legitimate seat in the United Nations," the Chinese minister said. "Friendship has not changed, despite the civil war in Somalia that began in 1991."

Two months after reopening its embassy in Mogadishu, the Chinese government appointed Wei Hongian as an ambassador in Somalia in December 2014, where; the federal president of Somalia Hassan Sheik Mohamud received his credentials..

In August 2018, the Somali president Mohamed Abdullahi Farmajo and president Xi Jinping of China discussed Somalia-China bilateral relations, trade and investments and new goals about economic development for the mutual development of the two countries. During the visit, Somalia signed a memorandum of understanding with China to join Belt and Road Initiative and enhancement of Economic and Technical Cooperation agreement in Beijing.

Despite the lack of accurate facts, figures and statistics that reflect the volume of trade exchange between Somalia and China, a remarkable increase in trade volumes between the two countries has been witnessed in recent years. Chinese products attract Somali traders who bring various Chinese goods to Somali markets. Therefore, Somalia is part of the African countries which China trades with. The trade volumes between China and Africa reached 85 billion dollars late last year. The trade relations between China and Somalia has been increasing and it is valued at around \$3.39 million in 2002, including the exports and imports of goods in and out of Somalia.

In the field of exploration of natural resources in Somalia, there are many Chinese companies looking forward and strive to conclude agreements of cooperation and partnership with Somalia to extract these natural resources. In 2017, the Puntland State of Somalia confirmed that it had concluded an exploration agreement with China's CCECC in the Ethiopian capital of Addis Ababa. In July 2007, a Chinese-owned oil company signed an agreement with Somalia to explore oil in Mudug province, which was then unstable. However, there have been challenges in the this exploration sector especially in terms of China signing oil exploration agreements with regional governments without involving national government. For instance, in 2015 the Somali

government called Chinese company "ARC" to stop its activities related to oil exploration in Somaliland without obtaining licenses from the federal government in Mogadishu.

In February, China entered a partnership with South West State of Somalia on a preliminary agreement to build the port of Merka, while another Chinese company is expected to build a port city at Hubyo, in Galmudug state, in which the Chinese company has launched an official assessment for the construction of the port. However, the recent Somali parliamentary decision to inhibit DP World from operating in the country after controversial Berbera port agreement between Self-declared republic of Somaliland and DP world of Dubai such decision can also undermine the functioning of some Chinese projects in Somalia, especially those concluded with heads of regional states including the planned construction of the port of Merka, which planned to begin later in 2019.

China's military and commercial moves in Somalia may provoke the anger of some Muslim and Arab countries that are actively involved in the investment of Somali ports and politics. China could become the third direct country in this field after Turkey and the UAE provided that China succeeds in the construction of Hobyo and Marka ports .

That notwithstanding, the growing role of China in Somalia is something that will bring more advantage and development in the field of economic growth and could increase investment in the country But, China's role in Somalia may have negative consequences namely:: opening the door to fierce competition between the West, China, USA, Gulf countries or rivalry between Islamic countries in the world. Therefore, China's role in Somalia is a double edged –sword, it has advantages, but also poses risks. However, eventually it all depends on how Somali government strategically identifies and pursues its national interests in the contracts, agreements and bilateral negotiations with China.

CONTEMPORARY RELATIONS BETWEEN SOMALIA AND CHINA

Since the People's Republic of China secured its seat in the UN Security Council (UNSC) in 1971, China has been a serious player when negotiating and dealing with international conflicts not only because of its activity in this role, but rather its passivity (abstains to use veto vote). The Chinese leadership and some scholars argue that China has played an important and active role for protecting the sovereignty of all nations, something enshrined in the UN charter.

According to (Austin, 2001, p. 55) “It speaks out on principles of non-interference, thereby helping the world’s poor to resist the world’s rich” because in most cases of conflict intervention it is the rich western nations intervening in the affairs of poorer nations. In addition to that, “China’s burgeoning involvements in UN peacekeeping activities in Cambodia in 1992 and operations in Kuwait, Palestine, Liberia, and Western Sahara have enhanced its image as ‘good international citizens.” (Austin, 2001, p. 55) Progressively, China is come out of the cocoon of a reluctant global power to actively engage in global governance issues such as sharing the burden of global peace and security, environmental challenges and developing world trade regimes.

However, there should be a note of caution. Although an increased amount of participation in international organizations can help to bring China and the western nations in the UNSC closer together, there is no guarantee that this will mean smoother agreements between the countries over future interventions. As shown by the recent crisis in Libya, China will continue to negotiate its position and bring about compromise. There should be caution that "while routine activities in international organizations help stabilize the nature of China's participation, international bodies of a more political character often reflect the volatility of its policy shifts." (Kent, 2001, p. 139) In deciding upon whether to become involved in interventions like those in Somalia "China is increasingly trying to balance out its national interests and its international obligations." (Austin, 2001, p. 61) This may mean a long time before we see a sizable Chinese contribution or use of force in interventions around the world. In fact, the position of negotiation rather than blocking interventions can be seen as one of advantage, as "its power is enhanced by its preparedness to negotiate its sovereignty, rather than to impose blanket vetoes.” (Kent, 2001, p. 155) Therefore, the evidence suggests we are likely to see a change in Chinese international intervention involvement similar to the development in its domestic politics, with trade and economy leading the way. China will continue to chase resources and invest heavily around the world whilst attempting to remain non-interventionist, but it may prove impossible for China not to become embroiled in some form of intervention like that in Somalia. China’s involvement in Somalia’s peace and security is demonstration of PRC realization that conflicts and instability in their partner states have a direct impact on China’s economic opportunities.

CHINESE INVESTMENTS IN SOMALIA: PROSPECTS AND CHALLENGES

China's growth and its capacity to move in thirty years from under-development and extreme poverty to an emerging global power and one of the largest exporter of manufactured goods has attracted the attention of many third world countries. In fact as one of China's foreign policy strategy towards Africa and other developing countries, China often quotes its history of underdevelopment, calling upon developing countries to align with it as fellow Third world states. China has served as a development model for Africa and an alternative source of trade and Africa's traditional development partners. Overall, China's increased engagement with Africa could generate significant advantages for African economies. (Mary-Françoise R. 2011). Chinese products exported to Africa are well-priced, and fulfil the consumption of all social strata in Africa. With the scale of trade expanded, the structure of China-Africa trade has been improved gradually.

China-Somalia relationship has an outstanding history; products from China, main electronics dominate the Somalia market. Nevertheless, direct Chinese investment in Somalia is currently low. Somalia is an untapped marketplace for any country to invest; it also boasts of unexploited land and enterprising people.

It is necessary to mention the challenges both sides faced in the China-Somalia cooperation:

1. The people need to know each other better. Although the Chinese government provided scholarships to Somali students to study in China, Chinese companies face some problems because of cultural difference, language barrier and different business practice in Africa. Among the SSA countries including Somalia also have many differences. The Chinese need to learn more about the culture, habit, law and the business practice of Somalis. The people of Somalia also need to know more about China and learn some user experiences.
2. Both sides need to face the challenges emerged in the economic globalization. Due to the open policy, many industries in China meet difficulties in the competition with the foreign companies. Potentially, some Somalia local enterprises face stiff competition

from Chinese companies. 3: Generally, China's activities in Africa have caused great concern among western countries.

This has led to rivalry and competition among global actors over Africa, referred to as the new scramble for Africa. It should not be overlooked that just like Africa's traditional allies (the West), China is also pursuing its interests for Africa's natural resources.

China is the rising world power. This much is clear, but nowhere is that really felt more than behind closed doors in Washington, D.C. The global hegemony of the United States is being challenged, and the contest is perfectly encapsulated in what's happening now in Djibouti.

Speaking before lawmakers, Marine General Thomas Waldhauser, the top U.S. commander in Africa, warned that the military's ability to resupply and refuel ships would be greatly affected if China restricted access to the port: *"If the Chinese took over that port, then the consequences could be significant."*

He also suggested there would be "more" such power projections from China in the coming days: *"There are some indications of (China) looking for additional facilities, specifically on the eastern coast...So Djibouti happens to be the first — there will be more."*

POLICY RECOMMENDATIONS

Indeed just as the world needs China, China needs the world." (Kent, 2001, p. 156) As such China needs to broaden its engagement with Africa and particularly Somalia by going beyond economic interests to also participate in peace and security matters such as stabilization of Somalia. Therefore more cooperation with other missions like the operation in Somalia is a step in the right direction.

- The Somali leadership should reaffirm further commitments to build on the existing cooperation between China and Somalia, pursue new frontiers in economic connections and other partnerships in development initiatives.
- Somalia's participation in FOCAC and the potential of the Belt and Road Initiative could enhance the country's connectivity and also promote economic development. So it is

advisable to focus on utilizing the available opportunities and then broadening the current trade and economic ties.

- Somali leaders should develop a coherent strategic plan so as to assert successfully its diplomatic, economic and social ties with China. Such a strategy should enable Somalia to avoid the challenges of partnership with China as experienced in many African countries where many local companies have been forced to shut down because unfair competition due to cheap imported goods from China due to Chinese companies being subsidized by PRC government and imported Chinese manpower to work in overseas projects instead of providing employment to locals.
- Agriculture is a crucial for stable development and poverty reduction efforts in Somalia and China is facing a shortage of land as the population increases. Somalia and China can create favourable conditions and broad prospects for future agricultural cooperation.
- Through the common efforts of China and Somalia, bilateral economic and trade cooperation now enjoys a consolidated foundation and improved mechanisms, with new common interests points in cooperation constantly emerging. Today, relations between China and Africa are more pragmatic. Trade and mutual benefits are central in current partnerships. However, China still supports a number of African countries with direct aid. Three major themes can be distinguished: building projects; Chinese medical teams; and scholarships for Africans to study in China. (Judith V. L. 2006). So Somalis should make enough preparation in order to benefit from China both in the short and long run.
- Somali government should establish a follow-up institution to enhance the progress of promotional initiatives.