Sino-Sudan relation: Mutually beneficial or neo-colonialism

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In this article, Sino-Sudan relation is explored simply, and then the related knowledge of neo-colonialism is put forward. Sino-Sudan relation is analyzed in four aspects according to the related knowledge of neo-colonialism. It is concluded that Sino-Sudan relation is mutually beneficial, not neo-colonialism. Finally, it is suggested China should intervene in Sudan’s internal affairs moderately and take corresponding responsibilities.

Key words: China, Sudan, mutually beneficial, moderate intervention, taking responsibilities.

INTRODUCTION

China and Sudan, two geographically very distant countries, are closely linked together because of oil. Since the 1990s, Sino-Sudan relationship has developed quickly. With the oil as the core, these two countries have wide cooperation in economics and trade, agriculture, industry, infrastructure and so on. One viewpoint (Yitzhak, 2009) is that Sino-Sudan relation is neo-colonialism. This viewpoint is refuted in this article. It is argued that Sino-Sudan relation is mutually beneficial, not neo-colonialism. First of all, Sino-Sudan relation is summarized in the following.

The brief history of Sino-Sudan relation

In February 1959, China established diplomatic relation with Sudan, their friendship has spanned more than half a century. China and Sudan are developing countries, their economies have their own advantages, and their economical complementarities are very strong. The economic and trade exchanges are frequent, the engineering cooperation is flourishing.

The Chinese government has been helping Sudan to develop basic industries. In the past, China had provided long-term interest-free loan for Sudan’s infrastructure such as roads, bridges, etc. Since the 1980s, Chinese companies were contracted to construct Sudan’s ports, water conservancy, electricity, bridges, roads and so on. From 1981 to August of 2000, the labor cooperation contracts between China and Sudan had been up to 702 items, the contract amount was 1.72 billion dollars, and the finished part was 1.45 billion dollars (Mei, 2002). Chinese finance and companies have played a notable role in constructing power stations and electricity networks (Daneil and Luke, 2011). In the 21st century, China has been helping Sudan in the development of economics and society.

When it comes to Chinese import and export trade,
Sudan is a broad and important market. China is Sudan’s top trading partner. According to Bank of Sudan statistics, China accounted for 76% of Sudan’s exports and 22% of imports from 2005 to 2009 (Daniel and Luke, 2011). In 2013, the volume of bilateral trade was 4.5 billion dollars, increasing 20.05 percent over the same period compared with last year, Chinese export was 2.4 billion dollars, increasing 10 percent, and Chinese import was 2.1 billions dollars, increasing 35.2 percent.1

The oil cooperation is the core of the relationship between China and Sudan. In 1995, invited by Sudanese government, CNPC (China National Petroleum Corporation) set up offices in Khartoum and began to participate the petroleum bidding and exploration of Sudan. Two years later, the Great Nile Petroleum Operating Company (GNPOC) was formed. CNPC’s stake of GNPOC was 40 percent. In 1998, CNPC’s construction arm, China Petroleum Engineering & Construction (Group) Corporation (CPECC), participated in the construction of the 1,500-kilometer-long GNPOC pipeline from Blocks 1 and 2 to the Red Sea. It also built a refinery near Khartoum with a 2.5 million-ton processing capacity (Human Rights Watch, 2003).

For the time being, CNPC has had upstream investment projects in Blocks 1/2/4, Blocks 3/7, Block 6 and Block 15. CNPC also invested to build Khartoum refinery and chemical plant. The crude oil pipelines of Blocks 1/2/4, of Blocks 3/7, and Block 6 were also constructed by CNPC.2 China has become a major player in Sudanese oil industry. “The importance of Chinese investment in the oil sector in Sudan compared to that of other Asian countries over the period 1999-2008 is demonstrated by China’s large share in oil concessions (6-95%), total oil investment (47.3%), upstream oil investment (43.8%), downstream oil investment (56.9%), oil pipe lines (47.6%), oil refinery (50%), petrochemicals (95%), oil refinery and petrochemicals (51%) and oil marketing, industry and manufacturing (12.5%) (Mohamed, 2013).”

Now China has built a complete oil industry system that includes production, refinery, transportation and market. It can be said that CNPC’s oil project in Sudan is the model of Sino-Africa cooperation in the new era. It has become the business card that the Chinese oil company uses to enter African oil-producing countries.

THE RELATED KNOWLEDGE OF NEO-COLONIALISM

Neo-colonialism is the opposite of old-colonialism. Old-colonialism was the naked aggression, plunder and exploitation that the developed capitalist countries exerted on colonial, semi-colonial countries of Asia, Africa and Latin-America in world modern history. After World War II, the national liberation movement rolled on with full force and old-colonialism collapsed. It was no longer in existence. However, during the process of withdrawal, for the sake of protecting their own interest, the colonialist transformed old-colonialism into neo-colonialism by every possible means. Through this way, they could continue controlling, plundering and exploiting those countries that had got political independence, and keeping the attachment that the new-born countries had to the Suzerain, keeping the old unequal international relations and economic order (Zhang et al., 2007). As Ghana’s first post-independence President, Kwame Nkrumah argued “the essence of neo-colonialism is that the state which is subject to it is, in theory, independent and has all outward trappings of international sovereignty. In reality, its economic system and thus its political policy is directed from outside (Kwame, 1965). Compared with old-colonialism, neo-colonialism has been more subtle. It penetrates developing countries politically, economically, militarily and culturally. Now, neo-colonialism still exists.

According to Alfred Abioseh Jarrett’s view, it has two meanings. First, there is the African version of neo-colonialism, by which the indigenous African leaders and chief officials are engaged simultaneously in massive exploitation of their people and in contributing greatly to the economic progress of developed countries. Second, the term “neo-colonialism” can be applied to the exploitation and control developed nations exert over independent developing countries of Africa (Alfred, 1996). From the emergence of neo-colonialism, it has indicated the unequal relation between countries, it means exploitation and control. All of these provide the guidelines for analyzing Sino-Sudan relation.

Mutually beneficial, not Neo-colonialism

China’s cooperation with Sudan is a fine example of the cooperation among developing countries. China and Sudan share the same historical experience and face with the common development tasks. Their cooperation is equal, mutually beneficial. It could be explored in four aspects as follows:

Firstly, China and Sudan are equal; it could be found that there is no exploitation in China’s cooperation with Sudan. In 1989, supported by National Islamic Front, Brigadier Bashir initiated coup, the elected government was overthrown and a military junta was formed. Hassan al-Turabi, the leader of National Islamic Front became the actual ruler of the country. When Sudan’s National Islamic Front (now the NCP) seized power in 1989, its ideological agenda and links to terrorism quickly led to international isolation and, ultimately, unilateral U.S. economic sanctions (International Crisis Group (ICG), 2012). Because of deteriorating relationships abroad, and

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pressure from the West in particular, the regime looked to China to develop its oil sector and found a willing partner (International Crisis Group (ICG), 2012). Therefore, China entered into Sudan when Sudan found herself in an isolated international situation.

Sudan has benefited much from this kind of cooperation. Above all, Sudan has got the developing fund and technology. Over the last decade, Beijing’s energy firms have invested between $3 billion and $10 billion in the Sudanese energy sector,stuffing at least $250 million a year into Khartoum’s pockets (Peter, 2007). With the help of China, Sudan’s oil industry has been explored and developed greatly.

With the development of oil, Sudan’s economy entered a period of rapid growth. The oil development not only has increased Sudan’s government revenue, but also has positive effects on other aspects of social life. From the World Bank report, Sudan is in the 10th year of its longest and strongest growth episode since independence, benefiting from the advent of oil in 1999 (World Bank, 2009). The size of its economy, measured by nominal gross national product, has grown fivefold—from $10 billion in 1999 to $53 billion in 2008. Per capita income, a summary measure of the living standard of average citizens, has increased from $334 to $532 (constant 2000 USD) over the same time period (World Bank, 2009). The economy has changed considerably since the onset of oil. Oil wealth has enabled Sudan to roll out a massive expansion of its physical and social infrastructure. The road network has increased from 3,358 kilometers in 2000 to 6,211 kilometers in 2008, electricity generation has more than doubled from 2,569 MW to 5,506 MW during the same period and the number of children enrolled in primary schools has registered a sharp increase from 3.3 million to 5.3 million in a span of eight years (World Bank, 2009).

Sudan was one of the poorest countries in the world. Because of the oil exploration and development, there has been an earth-shaking change in Sudan’s economy and society. All these changes have only taken place after the oil cooperation with China. These facts prove that what China has done in Sudan is not resource plunder but a great help for Sudan’s development.

Secondly, there is no political and economical control for Sino-Sudan relation. China has pursued the principle of non-interference in Sudan’s internal affairs and does not have any interest in Sudan’s internal affairs. The fact that cannot be ignored is Sudan’s oil was explored and developed in the context of civil war. By 1983, the second civil war between the north and the south broke out. For more than a decade, the civil war in Sudan deterred many western oil companies. However, civil war did not stop Chinese oil companies from entering Sudan. With the mutual efforts of China and Sudan, in 1999, Sudan became an oil-exporting country.

However, the oil does not solve the civil war. On the contrary, it aggravated the civil war. In order to ensure the case that Chevron withdrew Sudan would not happen and the safety of international oil companies to develop oil, Khartoum slaughtered or expelled the locals around the oilfields. Expansion of oil development has continued to be accomplished by the violence displacement of the agro-pastoral southern Nuer and Dinka people from their traditional lands atop the oilfields. Members of such communities continue to be killed or maimed, their homes and crops burned, and their grains and cattle looted (Human Rights Watch, 2003). The locals benefited nothing from the oil development, became homeless and displaced. What Khartoum did violated human rights seriously.

The deterioration of human rights situation caused widespread concern in the international community, Khartoum was in great pressure. The Chinese government did not make any condemnation about Sudan’s government’s deeds. In an interview in Sudan’s capital, Khartoum, Energy and Mining Minister Awad Ahmed Jaz praised his Chinese partners for sticking to trade issues. “The Chinese are very nice,” he said, “They don’t have anything to do with any politics or problems. Things move smoothly, successfully. They are very hard workers looking for business, not politics (Peter, 2004)”.

From Awad Ahmed Jaz’s word, China only concentrates on her own commercial interest. China does not have any control on Sudan. One of the striking characteristics of neo-colonialism is the control that one country exerts on another. It goes without saying that when it comes to Sino-Sudan relation, there is no control. How can it be called neo-colonialism?

Thirdly, Sino-Sudan relations is the outstanding model among developing countries. It is well-known to us that China is the biggest developing countries in the world; Sudan was one of the most undeveloped countries. In 1990s, with the deterioration of economic situation, Sudan was eager to explore her own oil. Because of the limit of fund and technology, Sudan had to turn to foreign aid.

In 1997, the U.S.A. imposed economic sanctions on Sudan, which banned oil companies of the U.S.A. from doing business in Sudan. It provided an opportunity for Chinese oil companies to enter Sudan. For Sudan, the cooperation with China avoided the bad effects caused by the sanctions of the U.S.A.; its international existence space was expanded. For China, the oil cooperation with Sudan not only satisfied domestic need, but also opened overseas market.

It is China that has helped Sudan to realize the dream that the oil not only meets Sudan’s domestic demand, but also exports to other countries. From this point, Sudan’s President Omar al-Bashir praised the creativity of the Chinese oilmen and honored the hardships they faced in bringing the oil industry to life after Western companies had abandoned Sudan. “We express our gratitude to CNPC, to the Chinese government, and to the Chinese people," he said (Luke, 2014), "China is a true friend and
partner of Sudan. Oil cooperation between Sudan and China has brought not only oil to the people of Sudan, but also peace.” (Luke, 2014).

For China, CNPC’s investment in Sudan has brought large profits for itself. CNPC had received revenue of more than U.S. $600 million from the GNPOC concession since exports began in September 1999, and Sudan accounted for two-thirds of CNPC’s overseas production in 2000 (Human Rights Watch, 2003). Sudan was China’s sixth-largest oil supplier in 2007, accounting for 6 percent of China’s total crude imports; Sudan has become a key theatre in China’s African equity oil investment (Eric, 2007). From this it could be concluded the biggest distinguishing feature of Sino-Sudan relation is “win-win”.

In addition, both China and Sudan are developing countries; the governments should have played a great role in the state’s modernization. As a result, most of their cooperation is confined to the high-level officials. Therefore, superficially, their cooperation is similar to the country’s relations under the old colonialism. Under the old-colonialism, the leaders of the colonized country were the accomplice in exploitation of their own people with the colonial country. The cooperation between China and Sudan is the model of government officials. Under this model, the cooperation is confined to government with government or government with the companies that belong to government. It is totally different from the relations between the colonial countries and the leaders of colonized one. The leaders of Sudan do not help China to exploit Sudanese people.

Fourthly, China Aids to Sudan. Sino-Sudan relation is one of the epitomes of Sino-African relations. Since the founding of the People’s Republic of China, she has persisted in supporting Africa, and helped African countries to eliminate poverty, improve the people’s livelihood, promote the economical development and social progress, Sudan is no exception. For example, the significant investment of China in the oil sector in Sudan motivated China to increase its aid and development assistance, loans and grants to Sudan. For instance, over the period 1999-2009 China’s share of total loans and grants has ranged from 7% to 76%, and the average share has increased over time (Mohamed, 2013). New Chinese dam projects in eastern Sudan, and ongoing efforts to promote an ‘agriculture renaissance’ for Sudan’s post-secession, post-oil economy, demonstrate China’s reformulated importance in the north (Daniel, 2012). In July 2011, Sudan split, southern Sudan became an independent country, China supported Sudan’s economic and social development as always. In January 2012, China and Sudan signed an economical and technical cooperation agreement, which is free aid. Additionally, the project hand-over certificate that 30 wells would be drilled by China in Darfur also was signed. When it comes to the medical and health cooperation, China and Sudan signed two project contracts in May 2012.4

China also contributes its own strength to solve social crisis. When the Darfur crisis broke out, in order to ease the humanitarian crisis in Darfur, Chinese government has provided humanitarian supplies worth $12.9 million, and donated $18 million to the special mission of African Union who carries out the peacekeeping mission in Darfur.5 Besides this, Chinese Energy Company also takes it social responsibilities when it explores and develops Sudan’s oil.

According to CNPC’s Vice President Wang Dongjin, CNPC had donated more than $50 million to Sudan’s social and economic development in the form of infrastructure and training. In addition to the construction of roads and bridges, the company had set up 10 hospitals, built 25 schools, donated educational materials to more than 200 schools, drilled 200 water wells, trained more than 1000 Sudanese professionals and provided scholarships for 30-50 students annually to attend China Petroleum University.6 Therefore, a series of cooperation efforts between China and Sudan have shown what China has done in Sudan is not neo-colonialism. Neo-colonialism is one kind of system which indicates unequal international relation. Under this system, the developing countries that have got political independence are enslaved to developed countries politically, economically, militarily and culturally. As far as Sino-Sudan relation is concerned, Sudan is independent politically, economically, militarily and culturally. China never intervenes in Sudan’s internal affairs; there is no control, no plunder, and no exploitation. The energy cooperation between China and Sudan is the normal investment and trade behavior in the international society. It has been underway in accordance with the rules of international market. It is the need for common development of China and Sudan, it opened up the new model of South-South cooperation. There is no ground and no reason to definite Sino-Sudan relation is neo-colonialism. Just as the minister of energy and mining of Sudan Awad Ahmad Jaz said, “Sudan has many partners, while China is the best of them. Sudan always lists the cooperation with China as the first.”7

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3The government of China and the government of Sudan signed an aid agreement”, see the website “Economic and Commercial Counselor’s Office of the Embassy of the People’s Republic of China in the Republic of Sudan”;

4Ibid.


CONCLUSION AND SUGGESTIONS

Though Sino-Sudan relation is mutually beneficial, there is still something worthy of note. Because the oil exploitation is very closely associated with civil war, in order to ensure the smooth progress of oil exploration, Sudan armed forces and militias assisted by the government provided protection for CNPC. The result was that CNPC was self-closed; they did not contact the locals. The tension between the locals of the oil fields and Khartoum was shifted to CNPC, which not only made the personnel of CNPC unsafe, but also made the locals be full of hostility toward CNPC. CNPC’s encounter in Sudan is the expansion of Sudan’s internal contradictions. This means China should make some adjustments in her own foreign policy.

Moderate Intervention

The “Five Principles of Peaceful Coexistence” are mutual respect for each other’s territorial integrity and sovereignty, mutual non-aggression, mutual non-interference in each other’s internal affairs, equal and mutual benefit, and peaceful co-existence. They were raised by China in Asian-African Bandung Conference of 1955 and have become the base of Chinese foreign policy. In 1995, CNPC entered Sudan, in more than ten years of Sino-Sudan cooperation, China has adhered to the principle of non-interference in Sudan’s internal affairs, paid little attention to southern Sudan’s poor human rights situation, and has not exerted any diplomatic pressure on Khartoum. A former Chinese deputy foreign minister probably sums up Beijing’s view toward Sudan cogently: “Business is business. We try to separate politics from business…the situation in Sudan is an internal affair, and we are not in a position to impose upon them (Peter, 2007). However, it is very difficult to separate politics and business. Sometimes, diplomacy is the continuation of the internal affairs. China’s principal of non-interference in Sudan’s internal affairs has provided opportunities for CNPC to enter Sudan, but it has affected CNPC’s interests in Sudan.

When the cooperation among countries has become very close, when a country’s internal affair has become the focus of international attention, at this time, it is not wise to adhere to the principal of non-interference in internal affairs. Because it would not only leave China disadvantaged in the international community, but also damage China’s own national interests. The oil development of Sudan has brought disaster to the locals such as Dinka and Nuer living near the oilfields. They were expelled and killed.

When Khartoum’s atrocities were exposed, China’s principle of non-interference in Sudan’s internal affairs had made CNPC rush into danger. This kind of principle has got the recognition of Khartoum, but lost the support of the locals. It is not only Sudan People’s Liberation Army was full of hostility towards CNPC, but also the locals around the oilfields. In the long run, this means greater instability and threats. Therefore, when China cooperates with a country like Sudan, it is necessary for China to be concerned for the latter’s human rights, and exerts appropriate pressure on Sudan to solve domestic humanitarian crisis, which can create a better environment for development. When the Darfur crisis broke out, the changes of Chinese government’s attitude showed that active participation is conducive to safeguarding its own interests.

When the Darfur crisis broke out in 2003, Khartoum used petrodollars to arm the forces and Arab militias to disperse the blacks in Darfur. China did not make any condemnation on this matter. Chinese officials also believed that what was happening in Sudan was in an internal affair that could be left to the Sudanese central government to handle. That needs to be resolved by an African Union (AU) peacekeepers force instead of a UN peacekeeping force (Gaafar, 2010). China abstained from voting UN resolution of No.1556, No.1564, No.1591, and No.1593 that focused on resolving the Darfur crisis. China had endured great pressure. Some people even boycotted Beijing Olympics of 2008 on the grounds of Chinese attitude towards the Darfur crisis (David, 2007).

Under great pressure, China sent a special envoy to help Khartoum resolve the Darfur crisis. The deputy foreign minister Zhai Juan visited Sudan four times. In February 2007, Chinese President Hu Jintao visited Sudan and put forward a four-point principle on solving the Darfur issue. In May, Darfur special representative of the Chinese government, Liu Giijin visited Sudan. After his visit, Sudanese government announced Sudan fully accepted the third phase of the program of An Nan plan unconditionally, and agreed to deploy AU-UN hybrid forces in Darfur.8 The Chinese government has played a construction role in solving the Darfur crisis. China was the only country to engage in direct diplomacy and negotiated directly with Bashir, and successfully pressured Khartoum to cooperate with the UN and other IGOS. It is noteworthy that China used direct bilateral diplomacy instead of sanctions, which China believes are tools of coercion (Caroline et al., 2012).

China’s attitudes towards the Darfur crisis have changed from self-protection under the principle of non-interference in internal affairs to active participation. It is the demand of reality. China has formed close relation with Sudan, China has has its own overseas interest in Sudan, and any change in Sudan politics would have an effect on China’s relation with Sudan. In the contest of international forces, when one country’s interests have been involved into another country’s affairs, adhering to

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stay out is not the best way to protect its own interest. Sometimes, moderate intervention is a good choice. Certainly, moderate intervention means to help related countries and international organizations to solve the crisis, it is not control and not neo-colonialism either.

Take responsibilities

With the rapid growth of China’s economy and the policy of “go out”, Chinese companies have gone to the world, especially Africa. When it comes to China-Africa cooperation, China should take some responsibilities. For Sino-Sudan relation, it is necessary that China handle the relation with Khartoum well, but it is equally important to coordinate the relations with the locals around the oilfields.

For Sino-Sudan cooperation, the northerners benefited much, while the southerners were excluded. The oil business does not produce many jobs, particularly for low-skilled workers. Moreover, employment decisions—even for temporary, low-level positions—are often made in Khartoum and, as a result, northern Sudanese and foreigners fill most positions (Luke, 2012). In a recent example, local people were promised work but in January 2006, buses came bringing newcomers from the north, causing anger amongst the local youth (ECOS, 2006). Throughout that period, Khartoum tightly controlled relations with China from the centre, largely preventing its ally from having contact with the Southern rebels. Beijing reciprocated by dealing almost exclusively with the central government (ICG, 2012). The rights of the locals around the oilfields were mostly neglected because of Khartoum’s intentional blockade and CNPC’s coordination. The corporate responsibility of the Asian national oil companies was misplaced and manipulated by the Sudanese government and the destructive environmental impact of the oil industry threatened the livelihoods of local populations (Luke, 2014).

In the second part of this paper, CNPC has done a lot of work in taking responsibilities, most of it was confined to the northerners, and the locals around the oilfields did not get much from oil development. For safety’s sake, CNPC seldom communicated with them, which isolated CNPC and put CNPC at a greater risk. The threat and risk that CNPC faces are much greater. Even after Sudan’s-running civil war between the Sudanese government and the SPLA ended in 2005, local armed militias that once fought for the government in the civil war and rebels from Sudan’s other civil war in Darfur targeted the oil industry. They opposed the work of CNPC and OVL (India’s national oil company) because of the lack of development in oil regions and the revenue the oil industry was generating for Khartoum (Luke, 2014).

In October 2008, nine CNPC oil workers were kidnapped in south Kordofan by Arab Misseriya. The kidnappers demanded that Chinese oil companies leave the region because oil had brought no jobs or development (Luke, 2014). “We don’t have any material demands. We want Chinese companies to leave the region immediately because they work with the government”, said Abu humaid Ahmed Dannay, the leader of the kidnappers. Under the model of government officials, keeping good relation with Khartoum only obtains the government’s permission and this breaks away from the locals around the oilfields. It is because of this model that the evaluation of government officials like president Bashir and the minister of energy and mining toward China is positive, while the evaluation of the ordinary people, especially the locals around the oil fields is negative. Two opposite evaluations indicate China should change the way of thinking when cooperating with Sudan, jump out the model of government officials, and take more responsibilities in Sino-Sudan cooperation.

Chinese officials have realized this problem. In Juba, the Chinese Economic and Commercial Counselor Zhang Yi believed that in order to reduce the risk of insecurity, companies should contribute to local welfare and communicate the nature of their investment projects with local populations. Zhang also suggested that companies operating in South Sudan should incorporate security costs in their daily operational budgets (Safeworld, 2013). Therefore, in international cooperation, Chinese companies should consider improving the welfare of the locals, providing employment opportunities for them, changing the relatively closed working model, establishing effective ways of communicating with the locals. Through this way, it will not only lower the risk to Chinese companies’ overseas investment, but also achieve greater gains.

Conflict of Interests

The authors have not declared any conflict of interests.

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