

Japan and China in Competition or Cooperation? Perspectives for Africa

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Abstract

This paper asks if and to what extent cooperation between Japan and China is feasible and desirable in the rise of Chinese presence in African continent. These two countries compete with each other in Africa over aid, trade, and investment. In the aid area, in particular, they have competed over markets for construction works in infrastructure. At the policy level, both countries have pledged massive aid for Africa without consulting with each other. The analysis shows that Japanese aid, while still focusing on infrastructure, can fill in areas in which China has little advantage, especially in designing development projects from participatory approaches, as demonstrated by projects in Kenya and Tunisia.

1. Introduction

July 2019 marked a memorable period for Chinese aid in Africa. The month saw the inauguration of the luxurious trans-continental railway — Rovos Rail — between Tanzania and Angola via the Congo Republic,

with massive lending from China. For decades, China has been constructing railways in the African continent; some examples are Djibouti-Ethiopia, Kenya-South Sudan, Nigeria, and so on. Since 2010, China has been the number one investor and financier in the continent. However, where are Europe and Japan? Although they were colonialists and lenders in the past, they have now, if not completely withdrawn from, have at least significantly decreased direct lending on infrastructure investments, especially since the 2008 global financial crisis. There was a time when Japan was playing the role China plays today, and politically at least, Japan still does not want to surrender in its geo-economic competition with China in the continent.

Chinese influence in the continent goes beyond the economic sphere. Politically too, China is assuming a leadership role in the 'African League of Non-democracies.' In some parts of the continent, especially in the North and Central, more governments are becoming non-democratic in terms of free elections and governance structure. According to the well-known Freedom House Report, the overall score of democracy in North Africa (Maghreb) remains low,

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with the exception of Tunisia (which had the ‘Arab Spring’ in 2010). Algeria, Libya, and Egypt are non-democratic, and most central African countries in Sub-Saharan Africa such as Sudan, South Sudan, Ethiopia, Nigeria, and so on, are in this category. To be sure, it is not correct to describe the whole continent as non-democratic, as many countries in Southern countries (such as South Africa, Namibia, and Botswana, to name a few), have nurtured democracy. The trend in Africa is clearly mixed. However, there are some Western media reports warning that even democratic countries such as Tanzania and Senegal have been arguably shifting towards less democratic and more authoritarian regimes.¹ China has strengthened its diplomatic and economic ties with these countries in recent years.

In the 1980s and 1990s, Japan used to be the top donor to some of these African countries, and it has tried to remain relevant in various areas.

In August 2016, the Sixth Tokyo International Conference on African Development (TICAD VI) was held in Nairobi, Kenya - the first time ever in Africa since its inception in 1993. Prime Minister Shinzo Abe pledged USD 30 billion for developing quality infrastructure, building resilient health systems, and laying the foundations for peace and stability. One of the pillars of pledge was the so-called “quality infrastructure investment” of USD 10 billion for the Mombasa/Northern Corridor and Nacala Corridor Growth Area in Kenya. Unfortunately, for Japan, China is pledging doubled that amount for roads, ports, power plants, and other infrastructure in the continent. Africa is an integral part of the BRI strategy today, insinuating that China has been high in quantity of infrastructure but not in quality. Does it make sense for Japan to compete in Africa? If yes, then in what manner, and where in Africa?

Africa is culturally divided into Northern Arabic Africa (or ‘white’ Africa) and Sub-Saharan Africa (or ‘black’ Africa). One can further divide Sub-Saharan Africa into prosperous and democratic southern, middle income and relatively free eastern, relatively free, but poor, western, and poor and non-democratic central. From the Chinese perspective, East, South, and North Africa are an integral part of the BRI, especially in its maritime and land infrastructure. However, its apparent correlation with authoritarian regimes is worrying.

2. Chinese Aid in Africa

Less Democratic Africa

Democracy is facing its challenges across the world. Freedom House scores countries according to “political rights and civil liberties ratings” (PL) and “civil liberties indicators” (CL).² The following is a list of the “Best 15” and “Worst 15” in terms of score:

	The Best 15	The Worst 15
1	Finland	Syria
2	Norway	Turkmenistan
3	Sweden	South Sudan *
4	Canada	Eritrea *
5	Netherlands	North Korea
6	Australia	Equatorial Guinea *
7	New Zealand	Sudan *
8	Uruguay	Somalia *
9	Denmark	Saudi Arabia
10	Ireland	Uzbekistan
11	Belgium	Tajikistan
12	Japan	Libya *
13	Portugal	Central African Republic *
14	Switzerland	Yemen
15	Chile	China

¹ For example, series of China-Africa relations in *France Culture* (radio program), *Le Temps du débat*, broadcast in August 2019 (with exact date not able to be specified and traced).

² See Appendix for methodology of Freedom House for democracy.

The starred countries are from African continent. The list of countries with the least PL and CL scores has seven African countries, and this list includes China. Hence, they are sometimes called the 'League of Non-Democracies.' Note also that non-African nations (North Korea, for example) are also pro-PRC regimes. Japan is the only Asian country with one of the best PL and CL scores. The list does not contain the US or the UK, as those countries' scores have been declining over recent years.

Some other African countries, such as Ghana, Benin, South Africa, Namibia, Senegal, and Tunisia have above average scores. However, scores for Senegal, Namibia, and Benin have declined over the years. For example, in Senegal, the incumbent President was re-elected in 2017 with an overwhelming majority. However, scholars have cast doubt on the election result.

China is also keen on expanding its cultural influence by expanding the number of its so-called Confucius Institutes. China is increasingly becoming a soft power in the continent. Meanwhile, the port of Djibouti is now a Chinese military base. Thus, China is becoming a military power as well. What is China trying to achieve in the continent? The following section examines this question from a historical perspective.

History of Chinese Aid for Africa

Western or Japanese observers often do not know that China began assisting Africa long before its recent expansion. It began in 1964, when Premier Zhou Enlai visited Africa to propose the 'Eight Principles' of Chinese aid to Africa. Until the late 1980s and early 1990s, Chinese aid in Africa was not a serious topic of discussion, and even today, there remains much misunderstanding of Chinese aid strategy in Africa. Therefore, it is important for us to understand how and why China has assisted Africa for such a long time.

Historically, there are three stages of Chinese commitment to African nations in the past 60

years. The first stage, from about 1955 to 1979, corresponds with China's state-building stage under Mao Zedong, before it adopted radical economic reform led by Deng Xiaoping, largely motivated by political propaganda than economic interests. Many African colonies became independent during this period, when African leaders were seeking alternative, non-Western governance structures, and the Chinese model or 'Maoism' fitted such a model. Another influential factor was the 'non-alliance movement,' stemming from the well-known 'Bandung Conference' that took place in Bandung, Indonesia in 1955. The non-alliance movement was a 'third' way, instead of allying with the US-Western capitalist bloc or the Soviet-Eastern communist bloc. Although the Chinese Communist Government was established in denial of Western capitalism in 1949, at the start of the Cold War period they had no intention to be under the Soviet bloc either. Another factor was that China had territorial disputes with the Soviets in those days. They wanted to become the leader of the Third World. Even today, the Chinese identify themselves as a 'South' (or the third world) member of the world, and when discussing foreign aid from China, they prefer to use the term 'South-South Cooperation.'

From the Chinese perspective, a 'new' China or the PRC was founded on the basis of anti-imperialism, with imperialism symbolized by Japanese forces before the end of the World War II and by American military presence in Asia after the war. Hence, the preamble of the PRC's Constitution states as follows:

"China's future is closely linked with the future of the world. China upholds an independent foreign policy, and adheres to the five principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence, and develops the diplomatic relations and economic and cultural exchanges with the various

countries; consistently fights against imperialism, hegemony and colonialism, strengthens solidarity with peoples of the world, supports the oppressed nations and the developing countries in winning and safeguarding their national independence and developing their national economies, making continuous efforts to safeguard world peace and promote human progress.” (Preface to the Constitution of the People’s Republic of China, as cited by Zhang (p. 102, footnote 3).

In other words, helping newly independent Asian and African countries was largely the *raison d’être* of the new China. In a street shop in Conakry, Guinea, one can see portraits of international sport stars and political leaders, among which are Che Guevara, Nelson Mandela, and Mao Zedong. In the 1950s, China was in direct military confrontation with the US during the Korean War. In Chinese eyes, the US was taking over colonial status by sending Peace Corps and military advisors in the 1960s. Until 1971, the PRC was not a formal member of the United Nations, as Taiwan (ROC) was a member. Therefore, for the PRC, assisting non-aligned nations in the third world was virtually the only way to demonstrate the legitimacy of their own regime. In a sense, this motive remains valid to this day. The PRC’s aid to Africa was motivated by the number of countries that would vote for China at the UN. Indeed, the PRC won over the ROC to replace its representation at the UN, becoming one of the Big Five permanent membership nations (with veto power) at the Security Council. Since then, the PRC’s long-standing position of ‘One China’ has been the *fait accompli* in its international relations. Although no data are available to the public, there is little doubt that Chinese aid to Africa achieved its peak by the early 1970s.

Overview of Chinese Investment in Africa

Since 2009, China has become the largest investor in Africa. In 2017, it opened its first military base abroad, in Djibouti. In 2013, Chinese banks lent 3.3 billion USD for railway construction between Djibouti and Addis Ababa (Ethiopia). Between the two countries lies a gas pipeline, also financed by China. In other African countries, China has offered finance by lending for various infrastructure; for example, the Tanzania-Angola railway, the South Sudan-Uganda-Kenya railway, Mombasa Port (Kenya), Dar es-Salaam Port (Tanzania), and Djibouti Port (Djibouti), to name a few. Chinese aid to African countries accounts for more than 50% of all aid flow to developing countries.

In China, economic aid is defined as (a) grant aid (including project, materials, technical assistance, medical assistance, emergency humanitarian aid), fund for South-South cooperation, (b) interest-free loan (0% interest rate, 10 years of repayment, 5 years of grace period), (c) Chinese EX-IM Bank Loan (2-3% interest rate, repayment 20 years, grace period 5-7 years), (d) scholarship, and (e) subsidy for interest rate. Multilateral contributions are also part of economic assistance.

A frequent criticism of Chinese aid is its reliance on lending rather than grants. Many indebted poor countries have requested rescheduling or refinancing their debt with creditors (including China) through the Paris Club, of which China is not a member. China could possibly join the Paris Club or the OECD, and Chinese aid will be required to undergo major scrutiny under the OECD-DAC guidelines.

In recent years, the Chinese government is recognizing international criticism of the debt trap caused by Chinese lending and has noted they “also need to take into account debt sustainability in mobilizing finance”³ as one of the guiding principles of the BRI, signed in May 2017. In September 2018,

³ Government of the PRC, “Guiding Principles on Financing the Development of the Belt and Road,” May 16, 2017, Section 14. <https://eng.yidaiyilu.gov.cn/zchj/qwfb/13757.htm>

the China-Africa Cooperation (FOCAC) adopted a declaration in Beijing that stated, “China is committed to the principles of no political strings, mutual benefits and efficient development, supports Africa’s pursuit of diversified and sustainable development, and will make active efforts to help African countries improve debt sustainability and achieve internally-driven development and mutually-reinforcing economic and social development.”⁴

To heavily indebted poor countries in Africa, Xi Jinping said in September 2018 speech delivered at FOCAC Beijing Summit that China “will extend US\$15 billion of grants, interest-free loans, and concessional loans to Africa. For those of Africa’s least developed countries, heavily indebted, and poor countries, landlocked developing countries and small island developing countries that have diplomatic relations with China, the debt they have incurred in the form of interest-free Chinese government loans due to mature by the end of 2018 will be exempted.”⁵ This exemption is very similar to the actions of OECD countries in terms of heavily indebted poor countries (HIPCs) since 2000.

By 2012, China had already cancelled debts for 27 billion RMB, and provided 83.8 billion RMB in interest-free loans, both of which are expected to increase in the face of international criticism against the Chinese ‘debt trap.’

More recently, in September 2018, Ethiopian Prime Minister Abiy Ahmed confirmed that China agreed to extend the debt repayment period for the Addis Ababa-Djibouti cross border railway. According to him, China has pledged to extend the debt repayment period for a loan it has acquired to construct the Ethiopia-Djibouti railway from 10 to 30 years. Apparently, China does not want to be considered a contributor to debt in Africa.

3. Japanese Aid for Africa through TICAD Initiative

At the end of August 2019, leaders of African nations gathered in Yokohama, Japan for the 7th Tokyo International Conference on African Development (TICAD). The TICAD initiative was begun in 1993 as Japan’s first step in expanding African partnerships, as Japan had become the top donor in infrastructure lending to several African countries by the end of the 1980s. One of the main motives for Japan to assist at that time was to gain support from African nations, as Japan needed their help to secure permanent membership in the United Nations Security Council, a dream for Japan in those days.

Today, Japanese leaders may no longer pursue this political motive as in the 1980s and 1990s because it has no support from its major Asian neighbors (China and Korea) for such a position. Furthermore, the UN has become a less attractive place. The US has been boycotting its financial contributions and has withdrawn from major UN organizations. Overall, in the 21st century, the UN plays a much less significant role.

Initially, the TICAD was held every five years in Tokyo. It was a big event for Japan to host delegates from African nations. However, the FOCAC initiative by China became increasingly influential and visible. The FOCAC meets every three years, alternating between Beijing and an African city. Given this rival movement, Japanese policy makers decided in 2016 after TICAD 6 in Nairobi, to meet every three years in alternating locations.

Back in 1993, when the TICAD was held in Tokyo for the first time, I remember I went to see President Rawlings from Ghana, then in his late 40s, who flew to Tokyo on his private jet. He struck me as somebody

⁴ Ministry of Foreign Affairs of the PRC, “Forum on China-Africa Cooperation Beijing Action Plan” (2019-2021)”, September 5, 2018, Section 3.9.2. https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1593683.shtml

⁵ Xinhua Net, September 3, 2018, internet article. http://www.xinhuanet.com/english/2018-09/03/c_129946189.htm

possessed with natural charisma; simultaneously, he was an open-minded technocrat who, unlike President Moi of Kenya, knew how to set things right. Ghana was a good student of the World Bank and IMF in the 1980s and 1990s, when it tries to implement the Structural Adjustment Policies as suggested by the Breton Woods Institutions. Dr. Botchway, a Harvard trained economist, advised President Rawlings to enter dialogue with Washington economists. Ravi Kanbur, who was the World Bank resident representative in Ghana, was a good advisor.

For Kenya too, the TICAD worked well. There were long discussions about debt sustainability in Kenya. If Kenya was categorized as an HIPC, as was likely at that time, major OECD-DAC countries would stop assisting it due to its poor human rights records. The TICAD provided an opportunity for Kenya to continue receiving funds from Japan and escape becoming an HIPC. As examined here, the famous hydraulic power plant in Western Kenya (Sundu-Miriu project), assisted by a Japanese ODA loan, could not have been completed if the country had fallen into HIPC status at that time. In a sense, Japanese aid saved Kenya.

Kenya Scandal in Both Ends

President Daniel Moi, known a 'Nyayo,' a Swahili nickname, was not very popular among Washington economists in the 1990s. Born in 1924, he served as the President of Kenya (after the first President Kenyatta) from 1978 to 2002.

Moi was not popular among international NGOs because of corruption and human rights abuses charges against him. No multiparty election was held for presidency until 1991. Amid foreign criticism, he was forced to allow plural party elections starting in 1991 and was re-elected twice under a 'democratic' system, although opposition parties claimed corruption of votes, and therefore, the election results were dubious. In 2002 he retired after serving two

terms as president, as per the constitution.

Moi was unpopular among Washington economists, because unlike leaders in Ghana or Uganda, he was reluctant to accept the 'conditionalities' set forth by the World Bank and IMF SALs. These conditionalities, ranging from increase in Value Added Tax (VAT) to privatization of State-Owned Enterprises (SOEs), were often drafted by economists in those institutions who did not understand local realities. Thus, he gained local support but lost international support. International donors have stopped assisting the country since the late 1990s. Naturally, Kenya was in huge deficit because of its large public investments, as was common in other neighboring countries, and it became difficult to repay debts from international lenders. This led to the vicious circle of a debt trap.

The TICAD provided an opportunity for Kenya to return to an international donor community circle, and perhaps saved Kenya from becoming an HIPC. Chinese aid has followed the Japanese example. The FOCAC met every three years while the TICAD met only every five years. The FOCAC met in Africa and in Beijing alternately, while the TICAD was meet only every three years in Tokyo. Increasingly, the FOCAC became more visible than the TICAD.

In 2001 and 2002 a scandal within the Japanese Ministry of Foreign Affairs (MOFA) erupted and attracted huge media attention. This was also called the 'Muneo Scandal,' named after the former Vice-Minister for MOFA Muneo Suzuki who had strong influence over decision-making in ODA allocations. He was charged with corruption in an African ODA project, namely, the Sundu-Miriu Hydroelectric Power (to be explained below).

Suzuki was an influential politician at that time on African ODA issues and was locked in battled with another political superstar, Ms. Makiko Tanaka, daughter of former Prime Minister Kakuei Tanaka, over MOFA reforms. The issue was taken up in the Japanese Diet (parliament) over several days. Did

Suzuki receive money from a Japanese construction company involved in Sondu-Miriu? Was Tanaka capable of implementing MOFA-ODA reforms to make ODA allocations and principles crystal clear? Ultimately, Suzuki was arrested on another charge and Tanaka was fired. The Deputy Vice Minister of MOFA (career diplomat) had to leave office before the end of his term.

Therefore, the Sondu-Miriu project became muddled with politics, giving it a very bad name in Japan and abroad. NGOs on both ends have protested against the project on different grounds. For a Kenyan NGO, the project neglected local voices; a prominent local NGO leader was arrested on the premises of the project site. A Japanese NGO has highlighted the violation of human rights and environmental considerations, as the construction of the dam changed the ecological system of the river.

4. Case Studies of Japanese Aids in African Continent

(1) Kenya – Sondu Miriu Hydroelectric Power Project

Background

This section presents a comparative overview of Japanese assistance for economic infrastructure sector in African nations, with the example of a hydraulic power plant in Sondu-Miriu, a Western region of Kenya, which has received assistance through a Japanese ODA loans since the early 1990s. This symbolic project of mutual friendship provides an example of consensus-based institution building through Japanese infrastructure lending, which contrasts with massive capital flow from China since around 2010.

The long Presidency of Moi (1978–2002)

destabilized Kenya's policy base in the early 1990s, when the country faced anti-corruption and pro-democracy campaigns from both Kenya and Japan. Further, the delay in implementation of the structural adjustment programs since the 1980s worsened its relations with the World Bank and IMF. When Kenya was internationally isolated in the late 1990s over its human rights records and structural adjustments, Japan helped it out.

The Sondu-Miriu Project, a hydroelectric power plant based in Western Kenya, was originally intended as a concessional loan project in March 1997, but took more than a decade to complete, including a suspension of a few years in the early 2000s, when Kenya was under discussion of being classified as an HIPC, exempted from repaying debts to international creditors. The loan resumed politically when President Moi met with Vice-Minister Suzuki of Foreign Affairs of Japan, expressing his intention to repay the debt from Japan, regardless of the application of HIPC debt relief. Fortunately, for both countries, Kenya was not classified as an HIPC. As mentioned, the project also went through political scandals in both countries. In Kenya, an NGO leader was arrested at the project site, and in Japan, the Vice-Minister was arrested for corruption charges on an ODA project. However, the project had resumed by 2005.

The Project

Given these events, both Kenya and Japan decided to take a cautious approach and implement the project through 'consensus-building.' In 2011-12, the author conducted an evaluation study on this project, examining 'relevance,' 'efficiency,' 'effectiveness,' 'impact' and 'sustainability,' in compliance with the guidelines set forth by the OECD-DAC (Development Assistant Commission).⁶ We conducted a sample survey of 200 households

⁶ OECD-DAC, "Evaluation Criteria" web site. <https://www.oecd.org/dac/evaluation/dacriteriaforevaluatingdevelopmentassistance.htm>

near the project to understand their perception of the project. To our surprise, only 23 households (or 11.5%) had electricity contracts with the power plant. The non-contractors did not sign the contract because of the lack of electricity supply to their community (50 households), high electricity bills (where the community is served) (111 households), and other reasons (5 households). Further, many households recognized the employment generation and business opportunities during construction, and the new infrastructure (power station and related facilities) as major positive impacts. The noise and pollution during construction, and the loss of employment after construction were perceived as major negative impacts.

Overall, the rate of satisfaction with the project shows that 140 households (70%) were “very much satisfied” or “satisfied,” far exceeding the 55 households (27.5%) that were “unsatisfied” or “very much unsatisfied.”⁷ A major reason for this satisfaction was the economic benefits, such as employment (132 households), while a major reason for dissatisfaction was the non-economic costs, such as worsening of the environment during construction (45 households).

When the project was in suspension, a Technical Committee was established to discuss requests from stakeholders, including NGOs, community representatives, government and company representatives, and JICA. The beneficiary survey revealed a relatively low level of recognition of the committee (16), while people were nearly equally “aware of” (105 households) and “unaware of” (91 households) it. Among those who recognized the committee, 86 households (81.9%) replied that they were either “unsatisfied” or “very much unsatisfied,” far exceeding the 18 households (16.6%) who replied that they were either “satisfied” or “very much satisfied.”

The reasons for satisfaction included “opinions and interests were reflected” (9 households), “problems were solved” (10 households), while the reasons for dissatisfaction included “opinions and interests were not reflected” (17 households), “problems were not solved” (49 households), and “participatory, democratic and transparent process was not available” (27 households).⁸

These results suggest that overall, residents were satisfied with the project, while they were not aware of the Technical Committee, and unfavorable opinions dominated even among those who recognized the committee because the problems raised were not solved (49 households), and so on. However, based on requests from local people and NGOs, the committee recommended and conducted additional surveys (on fishery and livability standards, as well as other issues). This suggests that the monitoring by the committee of impacts on fishery and health damage caused by dust and other factors have reduced public concerns. However, most likely, these actual contributions by the committee were not fully shared with the locals.

CSR activities by the company include efforts related to water supply, education, and the environment. About 20,000 people in the downstream area of the Sondu River receive water supply through standpipes, as treated water, and by establishing a rural water supply association, thus, contributing to the supply of safe water. Initially, the company assumed that local communities should supply water through self-help efforts. However, following discussions and a recommendation by the Technical Committee, the company funded the entire water supply. Water provided through water kiosks and standpipes is used for drinking or agricultural purposes, improving the standard of living by reducing the labor involved in fetching water and by providing safe water.

⁷ JICA (2011), “Ex-Post Evaluation of Japanese ODA Loan “Sondu-Miri Hydropower Project I, II”” https://www2.jica.go.jp/en/evaluation/pdf/2011_KE-P21_4.pdf, pp. 9-10.

⁸ JICA (2011), *ibid*, pp. 9-10.

Communities living downstream of the Sondu River also receive water supply (31 water kiosks and 3 standpipes) as do communities near the outlet channel (5 standpipes). In addition, locals within the base camp receive free water, which is open to the local community. The locals have appreciated these activities.

Overall Evaluation

There is no serious negative impact on the natural environment; further, there are no severe problems involving relocation and pollution and related effects on health. The project cost slightly exceeded the plan, and the project period significantly exceeded the plan — there was a delay of more than five years in the signing of the Loan Agreement (L/A) — which translated to low efficiency. There is no major problem in the structure, finance, technique, or current status of operation and maintenance; hence, the sustainability of the project is high. Therefore, this project is evaluated to be satisfactory.

In conclusion, with a process of trial and error, Kenya and Japan collaborated closely to build consensus on this controversial project, but much remains to be done to incorporate this consensus into actual decision making. This is an important lesson learned, no matter who finances the project. If anything, Chinese aid should also learn from this project so that their assistance can reflect local needs.

(2) Case Study Tunisia

Background

One-half of Tunisia is arid, its yearly overall precipitation is scarce, and in terms of geography, precipitation, and annual available surface, water supplies are unevenly distributed. Moreover, the Greater Tunis Area, which is in the northern region and the center of Tunisia's economic development, has suffered from impending demands for drinking water because of its rapidly increasing population

and lack of irrigation water in the dry seasons. Thus, the Tunisian government has been implementing an integrated water development plan for the entire northern region (Water Resources Development Master Plan in Northern Tunisia, of 1975) to secure drinking water, industrial, and irrigation water resources. Based on this master plan, the government has installed major water-supply channels and water conduits to each city. One example is the Cap Bon Canal, which connects the Medjerda River with Cap Bon (an area that produces citrus fruits, which are major agricultural exports) in the southwest peninsula of Tunisia; another is the Sejnane–Joumine–Medjerda pipeline, which was built in the course of this project. In 2004, water resource development in Tunisia helped satisfy 80% of the developable water demand, and in the northern region, the resources exceeded the gross demand. A dearth of pipelines, however, meant an insufficient distribution of these developed water resources to areas in need (i.e., the Greater Tunis area and its environs, Cap Bon, Sahel, the Greater Sfax Area, etc.).

Project Outline

The scope of this project was to source the financial aid necessary to construct water pipes (a total extension of about 90 km), extend existing pump facilities, and source consulting services in the north of Tunisia. The goal was to provide high-quality drinking, industrial, and irrigation water to the Greater Tunis Area and to the areas surrounding Tunis, Tunisia's capital city.

The project was not completed as scheduled, primarily due to the 'Arab Spring' in Tunisia at the end of 2010. All administrative procedures stopped for several months and project implementation was delayed in this period. Residents refused to provide land for the previous offer by the government.

The project involved an important component of building 65,000 m³ of pondage, supposed to be ready by the time of the appraisal; however, construction

was suspended because of a neighboring resident's refusal. During this suspension, an additional survey was conducted to examine geometrical problems. Ultimately, the decision was to build a pondage with reduced capacity (30,000 m³), in consideration with soft-soil conditions and residents' opinions. Thereafter, attempts were made to initiate construction, but this had to be canceled, as the construction would not be completed before the expiration of the ODA loan terms. As of this ex-post evaluation, some parts of the building site have been dug, and machines intended for use were left behind, ready for resumption of construction.

Evaluation Result

There were several obstacles after, or because, of the Arab Spring, in implementing this project. National rights awareness and an anti-government attitudes led to sabotage by residents. Because local residents prevented the construction of the water-supply pipe from Sidi El Barrak to Sejnane by force, construction was suspended. In addition, many executives were exiled following the 2011 revolution, leading to overall stagnation in administrative procedures. However, this does not mean a total absence of administrative organization: indeed, line ministries in charge of basic infrastructure, including police, fire departments, and military, continued to hold their function. Therefore, in evaluation, no subperiods should be removed from the project period as forces majeure.

We conducted a beneficiary survey for 90 households. Many survey respondents had experienced no water-supply outage. However, a portion — especially those living at high altitudes — had experienced a drop in water pressure. One-half of residents drank tap water, while the other half did not because they do not trust its quality. One-half of the residents were satisfied with the quality of the drinking water. Ultimately, we rated this project to be satisfactory, largely because the economic return from

the project was positive and significant. There was an increased profit from sales of oranges and other citrus products in Cap Bon, generating positive income for farmers. Of course, this is highly dependent on rainfall, and calculation was subject to various technical constraints. Nevertheless, the water pipeline provided additional capacity of water transportation in the end.

Challenges

The issue of land acquisition cannot be overlooked. Land used to construct water conduits between Joumine and Medjerda were expropriated by Tunisia's government in 1987 when the first water conduits were constructed in the same region. Therefore, land acquisition did not take place during this project. Local residents protested further land expropriation in a neighboring area before the start of the 1987 project. Their descendants again raised this issue and demanded compensation after the start of this project. In April 2011, these residents sabotaged the construction of a water-supply pipe from Joumine to Medjerda; thus, although materials had been procured in July 2012, the construction had yet to start. Eventually, the construction of the water-supply pipe started at the behest of an administrative order; it was completed in July 2016 and transferred to a new executing agency in January 2017. As opposing action did not occur after project completion, one can confirm that any negative impact was minimal.

Japan faces a dilemma in economic assistance. To emphasize the effectiveness or efficiency of a project, one can rely on the 'black cat, white cat' policy; in an extreme case, one might use the most authoritarian method to complete the project most effectively and efficiently. Tunisians had the capacity to do so before the revolution. However, after the revolution, they decided to examine and focus on the procedural aspects, namely, accountability and transparency. One might as well call it project governance. Nonetheless,

it is difficult to achieve procedural justice without sacrificing effectiveness and efficiency. This requires huge costs and time.

5. Concluding Remarks - Can China and Japan Cooperate on Aid for Africa?

As seen above, there are many differences and similarities in the aims of China and Japan in the African continent. They are competing in similar areas, which also could imply that there are possible areas for cooperation between the two countries. There is however one fundamental distinction between the two countries; China is not a member of OECD-DAC while Japan is, meaning that China does not have to comply with various guidelines set forth by OECD-DAC, i.e., environmental guidelines, corruption guidelines, procurement guidelines, etc.⁹ Japan cannot assist countries with poor human rights records, while China seems to be actively pursuing collaborating with 'dictatorial league of nations' in Africa.

There are common areas in which both countries can collaborate. Both China and Japan have invested in economic infrastructure, which requires massive capital investments that need co-financing from various financiers. ODA alone is not sufficient to cover financial gap in infrastructure, and private capital must be filled in the gap. In this context, China and Japan can complement with each other.

In recent years, China has been very active and vocal in contributing to the international public goods. One area is the contribution to UN Peace-Keeping Operations (PKO). After the retreat from South Sudan, Japanese contribution to UNPKO reached a negligible level, while China has increased its

presence in this field. As mandated by the UN, these activities are quite consistent with Japanese principles of international cooperation. Hence, there is no point of competition in this area.

China has been also expressive about its role in SDGs, which Japan is also pursuing actively. SDGs are also international development goals that all signing countries adhere to as common goals toward 2030. It is therefore possible for both countries to at least share SDGs as common goals.

In conclusion, mutually beneficial cooperation for Africa could be possible in many areas, especially when multilateral agencies can play an intermediate role. However, it is not desirable to Japan to be part of 'league of Chinese friends' --- Japan should probably be more vocal about its partnership with African people who aspire to be part of 'league of democracies.'

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Appendix Freedom House Index

Freedom House asks the following questions to determine political rights:

- "Was the current head of government or other chief national authority elected through free and fair elections?"
- "Were the current national legislative representatives elected through free and fair elections?"
- "Are the electoral laws and framework fair, and are they implemented impartially by the relevant election management bodies?"
- "Do the people have the right to organize in different political parties or other competitive political groupings of their choice, and is the system free of undue obstacles to the rise and fall of these competing parties or groupings?"
- "Is there a realistic opportunity for the opposition to increase its support or gain power through elections?"
- "Are the people's political choices free from domination by the military, foreign powers, religious hierarchies, economic oligarchies, or any other powerful group that is not democratically accountable?"
- "Do various segments of the population (including ethnic, religious, gender, LGBT, and other relevant groups) have full political rights and electoral opportunities?"
- "Do the freely elected head of government and national legislative representatives determine the policies of the government?"
- "Are the safeguards against official corruption strong and effective?"
- "Does the government operate with openness and transparency?"
- "Are there free and independent media?"
- "Are individuals free to practice and express their religious faith or nonbelief in public and private?"
- "Is there academic freedom, and is the educational system free from extensive political indoctrination?"
- "Are individuals free to express their personal views on political or other sensitive topics without fear of surveillance or retribution?"
- "Is there freedom of assembly?"
- "Is there freedom for trade unions and similar professional or labor organizations?"
- "Is there an independent judiciary?"
- "Does due process prevail in civil and criminal matters?"
- "Is there protection from the illegitimate use of physical force and freedom from war and insurgencies?"
- "Do laws, policies, and practices guarantee equal treatment of various segments of the population?"
- "Do individuals enjoy freedom of movement, including the ability to change their place of residence, employment, or education?"
- "Are individuals able to exercise the right to own property and establish private businesses without undue interference from state or non-state actors?"
- "Do individuals enjoy personal social freedoms, including choice of marriage partner and size of family, protection from domestic violence, and control over appearance?"
- "Do individuals enjoy equality of opportunity and freedom from economic exploitation?"