Prepared Statement of

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on

"Assessing China's Role and Influence in Africa"

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Mr. Chairman, Ranking Member Bass, Distinguished Members of the Subcommittee:

I would like to thank you very much for the opportunity to testify today on the important topic of China's role and influence in Africa, their impact on both Africans and Americans, and the resulting implications for U.S. toward Africa.

The strategic guidance approved by the President and released by the Department of Defense on January 5 emphasized that "U.S. economic and security interests are inextricably linked to developments in the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia, creating a mix of evolving challenges and opportunities" and, hence, "we will of necessity rebalance toward the Asia-Pacific region." Irrespective of the specific merits or demerits of this "pivot," it goes without saying that if such is the case, then we must factor the role being played by and the strategic intentions of the emerging powers of this region and their potential effect on the economic and security interests of the United

States, not only within the Asia-Pacific region, but beyond.

Perhaps nowhere is this more applicable than in Africa which—notwithstanding the "bad news" of very real conflicts and unfortunately lingering authoritarian tendencies—is characterized by the not-so-well-known "good news" of being home to six of the world's fastest growing economies over the past decade and, as a whole, has grown faster than East Asia, including Japan, in eight of the past ten years.

Thus we need first to better understand Africa's recent growth and the opportunity that it represents, both for Africans and for Americans. Then we ought to examine the emergence of China as one of the leading investors in Africa as well as an increasingly significant force in political and security issues on the continent. Alongside China, we have to consider the often overlooked activities of other "new actors" in Africa, including India, Brazil, and others. Finally, we should draw out the impact all this has, not only on Africans, but on the economic and strategic interests of the United States and what might be some appropriate steps that could be taken.

Africa's Growth and Potential

While the members of this Subcommittee do not need any convincing from the witnesses here, it is worthwhile to review the enormous potential that Africa has given that, as a whole, it is expected to grow faster than any region or country in the world this year, apart from China and India. This favorable outlook is not only based on the demand for its natural resources—although those certainly play a role—but also generally modest inflation, steady exchange rates, and reduced debt burdens as a result of forgiveness in 2006 and 2007.

While economies based on petroleum production—places like Angola and Nigeria—continue to lead in terms of economic growth, there is the increasing emergence of non-oil-based economies. In fact, the continent's fastest growing subregional group, the East African Community (EAC), has little oil production, although that may change in the coming years as Ugandan wells around the Albertine Graben begin producing. For now, Kenya, where the economy is expected to grow between 5 and 6 percent this year, has little by way of hydrocarbon or mineral resources; its growth is based on its emergence as a critical hub for financial and business services. Rwanda, another EAC member, is likewise trying to parlay a rigorous record of reform into a sustainable development model based on value-added production and ITC.

If the initial and, to a certain extent at least for now, still the main driver for Africa's growth is demand from abroad, especially emerging markets like China and India, for its primary commodities—*inter alia*, Africa holds 95 percent of the world's reserves of platinum group metals, 90 percent of its chromite ore reserves, and 85 percent of its phosphate rock reserves, as well as more than half of its cobalt and one-third of its bauxite—there are also four other factors which have contributed to Africa's increasingly dynamic economic prospects.

First, demographics mean that Africa is not only one of the most populous regions on the planet, but one of the youngest. Since 2000, the continent's population has increased by 200 million to just over 1 billion. Future growth projections indicate that the growth will be even more pronounced in the coming years, averaging 2.2 percent annually for the next decade, compared to just 0.9 percent in Asia. At these rates, by 2050, Africa's population of 2 billion will have overtaken both India (estimated to be 1.6 billion then) and China (1.4 billion); in fact, one in five of people in the world will be an African.

Moreover, this rapid population growth means that Africa's population will be younger than that of every other region in the world. Already, Africa's median age of 19.7 years (18.6 in Sub-Saharan Africa) is considerably younger than the 29.2 years in Asia, 36.8 years in the United States, and 40.1 years in Europe. One result of this is that the size of the African workforce is growing more rapidly than its counterparts elsewhere; by 2050, one in four workers on the planet will be an African.

These demographic trends, when coupled with robust economic growth, will lead to the emergence of a solid consumer base. The African Development Bank (AfDB) estimates that around 150 million Africans joined the ranks of the middle class since 1990 and another 40 million will join them by 2015. This will, in turn, create additional economic opportunities.

Second, Africa's population is not only rising, but rapidly urbanizing, thus adding further impetus to positive economic growth. Around 40 percent of Africans currently live in urban areas, but given current rates of urbanization—the fasting-growing in the world—that number will be slightly more than half by 2030 and well over 60 percent by 2050. Already, Africa has forty-nine cities with a population over 1 million.

More importantly, there is a clear and mutually reinforcing relationship between urbanization and economic growth. Because of the benefits of agglomeration and economies of scale, urban-based enterprises are generally more productive, contributing more to GDP than their rural equivalents. Because of better access to basic infrastructure, urban dwellers can more easily engage in business. Because urban centers provide concentrated markets for agricultural products, rural areas benefit from the growth of cities. Because cities with their population densities facilitate mobilization for economically supportive political and social change, the increased urbanization will also enhance the development of civil society.

Third, unlike in the past, Africa has embraced recent technological innovations with alacrity, using them to "leapfrog" traditional stages of development.

Nowhere is this more evident than in mobile telephony. The number of subscribers has mushroomed from almost none in the mid-1990s to 15 million in 2000 to 88 million in 2005 to over 500 million in 2010; by 2015, it is estimated that there will be nearly 800 million. Significantly, mobile phones not only permit Africans to converse with one another and, as often cited, engage in mobile banking, it has also become the main vehicle for many to access the internet and, through it, up-to-date market as well as political information. From 2000 until through 2011, internet usage in Africa grew by an astounding 2,527 percent, compared to a global growth rate of around 480 percent. In Nigeria, Africa's most populous country, the number of internet users burgeoned from 200,000 to 44 million in the same period.

Moreover, Africans are not only embracing new technologies in vast numbers, they are pioneering innovative ICT solutions like mobile money transfers.

Fourth, Africa's financial services sector has grown rapidly in response to its changing economic landscape as rapid urbanization, rising incomes, and technological advances bring more people—many of whom were formerly locked out of the formal financial system—into contact with banks and other similar institutions. The expansion of the financial sector not only creates new jobs and other economic opportunities, but it helps establish formal identities for millions of market participants as well as provides greater security than the current cash-based transactions.

China's Economic Engagements in Africa

As is relatively well known, the quest for resources impelled the reengagement of the People's Republic of China (PRC) with Africa beginning in the 1990s, after a period when, focused on internal reform and development, Beijing had paid less attention to the continent. At that time, under the leadership of President Jiang Zemin and Premier Zhu Rongji, mainland China launched a national strategy of "going out" (*zouchuqu zhanlue*) to secure access to stable supplies of raw materials and natural resources needed to sustain the country's rapid economic development—and forestall any social instability. Chinese firms were actively encouraged to explore investment opportunities abroad and open up new markets by establishing either joint ventures or wholly Chinese-owned subsidiaries in various countries. This policy has been reaffirmed under the current leadership, with Premier Wen Jiabao telling the country's diplomats in the midst of the global economic downturn in 2009 that Beijing should use its vast foreign exchange reserves, the largest in the world, to support and accelerate overseas expansion by Chinese companies: "We should hasten the implementation of our 'going out' strategy and combine the utilization of foreign exchange reserves with the 'going out' of our enterprises."

And while resources have been a big factor in Chinese engagement of and investments in Africa, there has been a noticeable shift to in line with changes in Africa's economic landscape. In fact, of the estimated $9.3 billion worth of Chinese foreign direct investment (FDI) in Africa in 2010—almost fourteen times the $681 million in FDI just ten years earlier—the largest chunk, 42.3 percent, went to services and another 22 percent went to manufacturing, with only 29.2 percent going to the extractive industries.

Trade is booming between African countries and China, with some 12.5 percent of all African exports going to China—fifteen times what that figure was in 2001. According to a report published by the State Council, China’s cabinet, despite a slump in 2009 which was attributed to the international financial crisis, the volume of bilateral between China and Africa was such as to surpass the United States as the continent’s biggest trade partner. The downturn, in fact, was temporary as trade jumped 43.5 percent during the first ten months of the following year to total $114.8 billion. In 2011, that volume soared even further, to $160 billion.

The government of the PRC has encouraged and vigorously supported Chinese firms in expanding their investments in Africa. China has signed trade agreements with forty-five African countries, bilateral agreements regarding the promotion and protection of investment with thirty-three, and accords to avoid double taxation with eleven. The government has also set up the China-Africa Development Fund, a stock equity fund that gives special support to Chinese enterprises when they invest in Africa. Since its establishment in 2007, the fund has invested in everything from agricultural development to machinery manufacturing to electric power generation to building materials to industrial parks and port logistics.

Another recent trend is the establishment of industrial parks as well as special economic and trade cooperation zones in key African countries—including Egypt, Ethiopia, Mauritius, Nigeria, and Zambia—with the goal of improving infrastructure so as to facilitate the opening of manufacturing operations by Chinese firms which then can benefit from favorable tax and regulatory regimes. There is also an additional advantage to these new industrial parks in Africa, as one Chinese researcher admitted candidly in a recent study of the phenomenon: “By setting up factories in African countries, not only could we overcome the import restrictive measures in Africa itself, but we could also access [the] European market via Africa.”

China has also not failed to recognize the opportunities for itself, both diplomatically and commercially, in the significant infrastructure build out that is underway throughout Africa in the transportation, communications, power, water, healthcare, and other sectors. The PRC State Council “China-Africa Economic and Trade Cooperation” report notes: “In order to help African countries to improve their infrastructure, the Chinese government has offered many preferential loans, and supports its financial institutions to expand the amount of commercial loans to Africa. China has constantly intensified its efforts in financing for Africa since the establishment of the FOCAC. From 2007 to 2009, China provided $5 billion of preferential loans and preferential export buyer’s credit to Africa. It has also promised to provide $10 billion of preferential loans to Africa from 2010 to 2012.” These government credits have helped to finance major infrastructure projects across Africa involving Chinese enterprises, including a new airport in Mauritius; a new Sheraton Hotel in Algiers; the 400-megawatt Bui Dam in Ghana; and the even larger 1,250-megawatt Merowe High Dam in Sudan which, when completed, will be the largest hydropower project on the continent.

Government encouragement and facilitation has also helped paved the way into African markets for telecommunications equipment manufacturers Huawei Technologies and ZTE which, between them, are active in some fifty countries on the continent. The pair have established more than forty third-generation telecom networks in more than thirty African countries and built national fiber-optic communications networks and e-government networks for more than twenty African countries. All told, an estimated 300 million Africans use communications services from one or the either firm daily.

So embedded have Chinese firms become in African infrastructure development that, prior to the publication of guidelines prohibiting government-owned enterprises of any nationality competing for U.S. taxpayer-funded Millennium Challenge Corporation (MCC) contracts, a Chinese state-owned engineering and construction company, Sinohydro, was awarded the two largest projects in the MCC compact with Mali: $71.6 million for improvements to the Bamako-Sénou International Airport and $46.3 million for expansion of irrigation canals along the Niger River.

Chinese participation in infrastructure development is the cause of some controversy in Africa, as Chinese firms are widely perceived to be bringing their own workers.

Furthermore, it should be noted that increased trade with China is, in some ways, a double-edged sword for African countries when it comes to imports. On the one hand, it makes relatively affordable goods available, which clearly benefits African consumers. On the other hand, Chinese manufacturers tend not to establish many links with local firms, preferring instead to turn to reliable and cost-competitive established suppliers back in China. This, in turn, necessitates further imports. Furthermore, they directly compete with domestic producers for both local and international markets. As a recent AfDB study concluded, "On the whole, in the sectors where China and Africa compete, increased Chinese exports translate into reduced African production." The latter may be the most direct and deleterious impact of China's trade and economic growth on many African countries, the "hollowing effect" adversely affecting Africa's medium- and long-term development prospects.

Moreover, Africans are beginning to voice concern about the easy credit and question whether or not countries that have just recently had their loans to international financial institutions or Western banks forgiven are not embarking on another ill-conceived borrowing binge, only to wake up on the morrow, as it were, and find themselves once more mired in debt.

China's Political and Security Stakes in Africa

Paralleling China's burgeoning economic stake in Africa are its expanding political and security interests. If Africa's abundant natural resources are critical for maintaining China's "peaceful rise" (*heping jueqi*) in the world, then certainly African states, which together constitute the largest regional bloc in many international organizations, are just as integral to Beijing's long-term grand strategy of promoting its version of "democracy in international relations" (*guoji guanzi minzhuhua*)—that is, a more multipolar political and economic global order.

The People's Republic of China currently has diplomatic relations with fifty of Africa's fifty-four states—the sole exceptions being Burkina Faso, The Gambia, São Tomé and Príncipe, and Swaziland, all of whom continue to have diplomatic relations with the Republic of China on Taiwan. In January of this year, the new twenty-story African Union Conference Center and Office Complex was inaugurated in Addis Ababa. The $200 million edifice, built with Chinese assistance, stands as a symbol of the close ties which Beijing has carefully cultivated with Africa's governing institutions and elites.

Beijing has a consistent policy of not imposing explicit political conditionalities on its aid recipients. This philosophy of non-interference in the internal affairs of other nations fits well with the policy preferences of many African heads of state or government. On the other hand, in addition to the one explicit requirement that its African partners break their links with Taiwan, there may be implicit assumptions that aid recipients will support Chinese positions in various international forums. Overall, China makes few, if any, demanding in terms of democratic norms and is certainly less inquisitive about how Africans actually use agreed credits—a stance that conflicts with the pro-democracy and good governance ethos promoted by the United States and its traditional European allies.

China's outreach to Africa has become more sophisticated and no longer operates exclusively on the government-to-government level. In the last academic year, some 5,710 African students received scholarships from the PRC government to pursue university-level training at Chinese institutions. In 2009, China also inaugurated the China-Africa Science and Technology Partnership Program (CASTEP) to encourage science and technology cooperation between the PRC and its African partners and facilitate technology capacity-building in African countries. Since its inception, CASTEP has overseen over 100 collaborative research ventures and training courses. China has even taken tentative steps to engage nongovernmental organizations; in 2010, for example, the Secretariat of the Forum on China-Africa Cooperation (FOCAC) hosted a summit of Chinese and African NGOs to discuss their role in the FOCAC process.

A relatively new area of Chinese engagement in Africa has been in the security sector where China's involvement has been hitherto limited to arms sales to various governments, some quite questionable. After having long taken a dim view of international peacekeeping missions, convinced that they were a threat to the right of sovereign states to manage their own internal affairs without the interference of outsiders, in 1989, the PRC joined the other permanent members of the United Nations Security Council in contributing some personnel to the UN Transitional Assistance Group (UNTAG) which oversaw the transition of South-West Africa to independence as Namibia. Since then, China has become increasingly involved in international peacekeeping to the point that the number of People's Liberation Army personnel currently participating in UN stability and security operations is roughly equal to the combined total of the other four permanent members of the Security Council. As of the end of February 2012, the PRC has deployed 1,894 military and civilian personnel on eleven UN missions. What is most interesting is that the majority of Chinese peacekeepers are deployed in Africa. Currently 1,505 PLA personnel—that is, three-fourths of all those assigned to peacekeeping duties—are involved in seven African missions: the UN Mission for the Referendum in Western Sahara

(MINURSO), the UN Mission Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the African Union/UN Hybrid Operation in Darfur (UNAMID), the UN Mission in Liberia (UNMIL), the UN Mission in South Sudan (UNMISS), and the UN Mission in Côte d'Ivoire (UNOCI). Whatever formal reasons are given for these engagements, it remains that the PLA has accrued significant tactical, operational, and strategic advantages from the deployment of its personnel across Africa.

Moreover, since January 2009, vessels of China's People's Liberation Army Navy (PLAN) have been operating almost continuously in the Gulf of Aden and other waters off Somalia as part of a worldwide naval deployment to counter Somali piracy. While, by all accounts, the PLAN has cooperated with other coalition forces in anti-piracy operations, including the United States-led Combined Task Force 151 and the European Union Naval Force (EU NAVFOR) Somalia's Operation Atalanta, it is also true that the deployment has the double advantage of advancing a number of wider Chinese interests off the East African littoral. In fact, a strategy paper published by the Central Committee of the Chinese Communist Party in December 2010 forthrightly acknowledged that the antipiracy operations off Somalia would be an opportunity for the PRC to gain a foothold in a strategic region: "China can make use of this situation to expand its military presence in Africa."

China's increasing capabilities with respect to military operations in Africa were on display last year when the PRC had to come to the rescue of its nationals who found themselves caught up in the Libyan crisis. In the first such operation they have ever undertaken, the Chinese military and civilian authorities acquitted themselves quite well, safely moving nearly 36,000 people out of harm's way in less than two weeks and wrapping up the entire evacuation by March 3, more than two weeks before the United Nations Security Council passed Resolution 1973 authorizing a no fly zone over Libya. While most of the civilians were transported by merchant vessels or airplanes chartered by Chinese diplomats and companies, some 1,700 were evacuated on constant flights by four IL-76 transport aircraft sent by the People's Liberation Army Air Force (PLAAF). The PLAN also deployed the new *Jiangkai II*-class frigate *Xuzhou* to the Libyan coast to coordinate the evacuations by sea. The PLAAF and PLAN deployments were especially significant insofar as they represent not only the first Chinese operations in Africa, aside from participation in UN peacekeeping missions and in anti-piracy patrols off the coast of Somalia, but the first military action by China in Mediterranean—a major milestone in the evolution of the Chinese military's overall expeditionary capabilities.

Other "New Actors" in Africa

In discussing China's role in Africa, especially its assertion of vital and strategic interests on the continent, it is worth bearing in mind that while Chinese engagements have received the most attention, it is clear that other rising powers are also busy renewing old ties and forging new links with Africa, relations which will undoubtedly alter the strategic context of the continent.

While the extensive network of economic, political, and military ties which the PRC has constructed across Africa has been the subject of considerable scrutiny and, in some quarters, not a little alarm, the emergence of India as a major player on the continent has, until rather recently, gone largely unnoticed. In many respects, India's motivations are not dissimilar from China's.

In fact, more than its Asian counterpart, India faces a potentially serious obstacle to continued growth in its lack of energy resources (its proven petroleum reserves account for less than 0.5 percent of the world total). Currently the country is the fifth largest consumer of energy in the world and is expected to double its energy consumption and overtake Japan and Russia within the decade to become the third largest user of energy. One-third of India's energy needs, however, are presently met by traditional sources of fuel, including wood, dung, crop residue, and waste. With increased development, future needs can hardly be expected to be met by these traditional sources. In fact, India currently imports about 75 percent of its oil, making it the third largest oil importer in the world. Moreover its dependence on petroleum imports is projected to rise even higher to over 90 percent by 2020. Not surprisingly, Indian companies have moved aggressively to secure access to Africa's hydrocarbon reserves. The overseas division of India's state-owned Oil and Natural Gas Corporation (ONGC), ONGC Videsh Limited (OVL), has invested in equity in exploration and development across the continent, including Côte d'Ivoire, Egypt, Gabon, Libya, Nigeria, São Tomé and Príncipe, Sudan, and South Sudan.

Indian companies have also boosted non-oil trade with Africa tenfold in the course of the last decade to its current annual value of $50 billion, according to the African Union, and the continent as a whole has proven rather attractive to Indian investors. The telecommunications giant Bharti Airtel, for example, operates in no fewer than seventeen African countries. Other private-sector Indian industrial conglomerates like the Tata Group and the Mahindra Group have also made considerable headway in Africa, as have firms specializing in the development of infrastructure like KEC International, the overseas arm of the Kamani Engineering Corporation in Mumbai, which has projects in Algeria, Ethiopia, Ghana, Kenya, Libya, Mozambique, South Africa, Tunisia, and Zambia. Government-owned concerns like the RITES consultancy of the Indian Ministry of Railways are also profiting from large-scale projects in Africa, especially where official Indian development assistance is involved. Another enterprise owned by the Ministry of Railways, Ircon International, has built railways in Algeria, Mozambique, Nigeria, Sudan, and Zambia.

Alongside the economic inroads in Africa, India has increasingly beefed up its diplomatic and security activities on the continent. Playing catch-up to Beijing with its successful triennial summits of the Forum on China-Africa Cooperation (FOCAC), New Delhi organized the India-Africa Forum summit in 2008 to strengthen its ties with leading African nations. This first meeting was followed by a second one in early 2011. India has also privileged an ambitious loose alliance, the "India-Brazil-South Africa (IBSA) Dialogue Forum," with the goal of achieving common positions at the United Nations, the Doha Round of trade negotiations, and other multilateral settings for the three largest developing states of the "Global South."

I have argued elsewhere[1] that "the burgeoning Indian-African relationship is good for the United States overall, especially given the strategic partnership that America and India have forged in recent years," and that Indian interests on the continent do not appear to direct compete with ours. Hence, I am in agreement with the administration's recent affirmation that "the United States is also investing in a long-term strategic partnership with India to support its ability to serve as a regional economic anchor and provider of security in the broader Indian Ocean region" and would hope that this geopolitical vision extends to Africa.

I have sketched out the Indian role in Africa in some detail, but the same analysis could be done for the engagements of a number of emerging or reemerging powers, including Brazil, Japan, Malaysia, Russia,[2] and Turkey, just to name a few. The point is twofold: first, China's role in Africa has to be put into context both of a more widespread interest in Africa and of the ongoing shift in the international system's overall center of gravity; and, second, even without China, one would still have to reckon with the activities of these "new actors" in Africa, countries whose political leaders and businesspeople have come to recognize the continent's economic and strategic potential.

The Impact on American Interests and Possible Responses

Aside from the occasions when security interests—whether containing the spread of Soviet influence during the Cold War or combating al-Qaeda-linked terrorists in more recent years—are at stake, the United States has a regrettable record of pushing Africa to the margins of its foreign policy interests, whether economic or political.

Of course George W. Bush is widely acknowledged for not only launching several new initiatives with particular impact on Africa—including the President's Emergency Program for AIDS Relief (PEPFAR), the Millennium Challenge Corporation, and the United States Africa Command (AFRICOM)—but also substantially increasing U.S. aid to the continent, continuing an upward trend begun under President Bill Clinton. And, to its credit, the current administration, operating in a difficult fiscal environment, has continued along this path and, in a few instances, even modestly increased funding. But one cannot help but observe the lack of consistent direct engagement from the very top, especially when compared with what the leaders of other countries are doing. To be fair, one ought to acknowledge the interest taken and leadership shown by Secretary of State Hillary Rodham Clinton and Assistant Secretary of State for African Affairs Johnnie Carson, however, one is still left contrasting President Barack Obama's less than twenty-four hours on the ground in Sub-Saharan Africa since taking office—albeit, one has to note, a period in which he did give an extraordinary address before the Ghanaian parliament—

[1] See J. Peter Pham, *India in Africa: Implications of an Emerging Power for AFRICOM and U.S. Strategy*, Strategic Studies Institute Monograph (Carlisle Barracks, PA: U.S. Army War College, 2011).

[2] See ibid, "Back to Africa: Russia's African Engagement," in *Africa and the New World Era: From Humanitarianism to a Strategic View*, edited by Jack Mangala (New York: Palgrave Macmillan, 2010), 71-83.

with the nearly two dozen African countries Chinese President Hu Jintao has visited over the course of his decade in power.

While the African Growth and Opportunity Act (AGOA) of 2000 and its subsequent extensions and expansions, which together substantially lowered commercial barriers with the United States and allowed Sub-Saharan African countries to qualify for trade benefits, remains a significant bipartisan legislative accomplishment, the foreign direct investment flows from the United States to Africa remain negligible, with most of such little does go out being directed to the petroleum and other extractive industries.

On the security front, AFRICOM was created on the assumption that by superseding of an antiquated structural framework inherited from times when the continent was barely factored into America's strategic calculus, the various bilateral and multilateral military-to-military relationships would be better managed and the myriad security assistance programs already in place would benefit from more focused attention and advocacy. Unfortunately, the resources the command requires if it is to do even this much have not been readily forthcoming—and that was before the current fiscal austerity.

What can be done if the United States is not to simply cede Africa—economically, diplomatically, and strategically—to China and other countries?

I would offer four general thoughts by way of suggestion:

First and foremost, do not forget the Africans. An all-too-pervasive temptation is to conduct business as if Africans were merely passive spectators, rather than the principals, in their own affairs. Engage them in dialogue. Find out both why Chinese and other partners are attractive to African political leaders, businesses, and people, and how these same suitors are also cause for concern.

Second, the United States needs to develop a national strategy for Africa. Absent a more thoughtful consideration and articulation of an overall American "doctrine" concerning Africa—one that would both give policy guidance to the interagency process, including both its civilian and military components, and communicate America's long-term commitment to its partners on the continent—any increased attention to and resources for the continent will not result in substantially greater U.S. political influence, open new markets or other opportunities for American business, or significantly enhanced security, development, and prosperity for Africans.

Third, establish a coordinating mechanism to implement the strategy. A strategy can lay out objectives and guide thinking about priorities, but it is not self-implementing. Some person or institution must have ownership of this vision and the responsibility for operationalizing it.

Fourth, engage and empower the private sector. The key is doing what can be done—through public-private collaboration and other means—to encourage and facilitate American firms to take advantage of the opportunities offered by Africa's economic dynamism. There is potential to secure a win not just for Africans, but also for American businesses and workers.

Conclusion

There is great reason to be cautiously optimistic about Africa's prospects. If the growing interest of China, India, and other countries in Africa signals anything, it is that the continent is not only a place where aid and humanitarian sentiments drive engagement, but where the increasing emergence of business opportunities and the potential therein for mutual benefit form the basis for true partnerships.

In order to seize this golden moment, the United States needs to develop a comprehensive, proactive strategy to replace of what heretofore has been, under administrations of both parties, a largely *ad hoc*, reactive approach. Committed, consistent, and sustained engagement will do more to promote long-term American interests—economic, political, and security—than hasty, ill-conceived attempts to contain the African forays of China and other countries.

United States House of Representatives
Committee on Foreign Affairs

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J. Peter Pham	Atlantic Council
3. Date of Committee hearing:	
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4. Have you received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?	**5. Have any of the organizations you are representing received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?**
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