A wave of Chinese goods, people, and investment is engulfing Africa. Since the democratization and economic liberalization in the late 1990s of many African nations, the Chinese government and many Chinese corporations have invested heavily in these nations. This interest of China in Africa has been met with both praise and criticism from African intellectuals and governments, and international observers, the nature of this new relationship is uncertain to say the least. Namibia offers an excellent example of a typical third way African democracy in the midst of this Chinese expansion.

Sino-Namibian relations have had a relatively short history. China has historically had a policy of supporting left-wing/socialist movements and governments in Africa since the late 1950s; Namibia is no exception to this policy. The first semblance of international relations started when the then Maoist Chinese government sent aid and supplies to the South West African Nation Union movement (SWANU), in their struggle for independence from the South African government controlling Namibia at the time. The Chinese government continued to support SWANU until in the late 1960s; it switched its support the South West African People’s Organization (SWAPO).

This military support was intensified during the spring of 1966 with the start of the Angolan civil war. During this conflict, China sent military advisors to the region to train and provide military support to the forces fighting against South African and Angolan right wing militias. The South African government then specifically used the Chinese presence in Angola as justification for its entry in the conflict and future occupation of Namibia.

While the extent to which Chinese support decisively assisted the SWAPO and the Angolan government is negligible compared to the support of other nations like Cuba or the Soviet Union it was effective in cementing friendly Sino-Namibian relations after independence. To this day, the Chinese support of SWAPO during apartheid is still used as practical and symbolic role in “official relations” between the two states. The notion of an ‘Afro Asian bloc’ to counter the west, founded during the 1950s (Dobler, 2005), is still very prevalent in the dialogue of official Sino-Namibian relations.

To this day, the official history of Sino-Namibian relations on the website of the People’s Republic of China Namibian embassy, the support of SWAPO by the Chinese is regarded as a starting point for current Sino-Namibian relations. By the same token, in all official
visits by the Chinese government to Namibia and vice versa, this story is used rhetorically, as the "one event" upon which all present relations have been built. During the 1970s and 1980s, SWAPO leader Sam Nujoma, visited the PRC seven times. This historical relationship the SWAPO and the Chinese Communist party, is present by both the Namibian State and the Chinese government as the basis for relations in the present.

The first official relations between the PRC and the newly independent Namibian state began on 21 March 1990, with the signing of diplomatic ties between the two nations. This transformed Sino-Namibian relations from an ideological and geo-strategic relationship between the Chinese Communist Party and SWAPO to a formal diplomatic relations. The ‘Afro-Asian bloc’ created during the struggle for independence had become a diplomatic reality.

The first decade of official Sino-Namibia relations (1990-2003), the political, economic, and ‘developmental’ ties between is best characterized as a period of normative bilateral relations. From independence to 2000, then Namibian head of State Dr. Sam Nujoma made four official visits to the PRC, however the first official visit of a Chinese premier in Namibia was not until 2005. Furthermore, there was no official Namibian embassy in the PRC until 2007. During this period the PRC had little economic interest in Namibia accounting for only 1% of all foreign aid received by the Namibian government during this period, totaling around N$66.5 in interest-free loans and development projects. The number of PRC nationals living in Namibia during this period, a general indicator of the amount PRC interest in a region, numbered less than 100 people.

During this period in Namibia, the Namibian government was working to “develop” its economy to fit the neo-liberal reality of the 1990s. Apart of this liberalization of the Namibian economy included the large-scale privatization of Namibia’s natural resources, mainly the nations gold, diamond, and uranium mines. Namibians before had never run these industries, as previously, they had been managed and operated by the apartheid South African government. On the advice of international economic development advisers, the government chose to allow for these resources to be sold to and operated by international and multinational corporations as a part of its First National Development Plan (FNAP) development program. This provision offered incentives for international companies to come to “invest in Namibia” including tax incentives and partial-to-total exclusion for these companies from standard Namibia labor laws. While in theory these provisions were effective after the implantation of the FNAP, it was not until around 2003-2004 that many of the explicitly neo-liberal policies came into effect.
With these dramatic neoliberal changes, came a drastic change in Sino-Namibian relations.

From 2004 to the present, the PRC’s economic, development, and political interest in Namibia dramatically increased. On an economic level the first sign of increased economic interaction between the two countries started with the saturation of Chinese manufactured consumer goods in the Namibian market. With the low cost of manufacturing in China, the cost of these goods was cheaper than Namibian produced goods of the same quality. While this relationship remains mostly one-sided with Namibia accounting for the majority of the importing of goods, Namibia has exported goods to China as well. In 2004, Namibia’s Rössing Mine became the first Western produced mine to export uranium oxide to the PRC in the area of 106 tons (Allgemeine Zeitung, 14.07.2005). In addition raw amount of Chinese investment during this time increase substantially. As of 2007, Chinese run firms and business invest approximately 33 million USD per year in the Namibian economy (Sherbourne, 2007). The primary areas of investment include construction, finance, retail, and resource management.

Alongside this substantial economic investment, China has increased the amount its spends on Namibian “national development.” These projects are generally small-scale development projects with specific funds allocated to specific programs or in the form of no-interest loans. An example on the this project when China extended a N$8.6 million interest-free loan to the National Housing Enterprise, which was used to construct 102 houses in Katima Mulilo in the Caprivi Region, (Pisani, 2011).

Chinese development and aid funds are generally rhetorical in nature and tend to underline Chinese commercial interest in the region. For example, on his first official state visit to Namibia in 2007, then Chinese Premier Hu Jintao promised that the PRC would plan in the next 4 year to commit to,

- 1 billion Yuan (N$1.7 billion) in concessional loans
- US$100 million (N$107 million) in preferential export buyer’s credit
- 30 million Yuan (N$37 million) in grants
- 30 million Yuan (N$37 million) in interest-free loans
- The building of two rural schools (a third was subsequently also built), and
- The building of a hospital.
These projects echo the aims and ideals of the Chinese in trading with Namibia. Through the building of infrastructure and investments in education in Namibia, the PRC could directly benefit from infrastructural improvements and a potentially well-educated Namibian working-class. As the economy Namibia becomes more entwined with the Chinese economy, the two nations have become politically closer together. The current Namibian president Hifikepunye Pohamba, has visited China three times since taking office in 2004. In addition, Namibia adheres to the one China policy. The number of PRC citizens living in Namibia as between 3000-4000, with this number increasing every year.

Accompanying the changing economic dynamics of Sino-Namibian relations, are the social implications of Chinese expansion in Namibia. As a result of increased access to Chinese produced consumer goods, many of these goods, which are cheaper to produce and to consume, have saturated the Namibian consumer market. This has led to the price of goods being artificially lowered to compete with the Chinese prices. As a result this has undercut the margin of profit Namibian consumer goods would have enjoyed and transporting the economic profit Namibian produced goods which otherwise would have stayed in the Namibian, economy to China.

Perhaps of all the area of Chinese expansion, its expansion in the construct industry has caused the most controversy among Namibian. The Construction Industries Federation of Namibia (CIF) estimated that 60–70% of the country’s large construction projects were awarded to Chinese construction companies, (Jauch & Lipumbu, 2009). In fact many infrastructures of this Namibian state, such as the Namibian Supreme Court (Dobler, 2009), a new police station and prison training college, as well as the Magistrate’s Court in Katutura, (Pisani, 2011), were constructed by China Jiangsu International Namibia Ltd, a Chinese firm run out of Namibia. The low-cost of Chinese immigrant workers as well as the competitive advantage of these firms have in obtaining the raw materials necessary to build structures makes them cheaper to employee then a Namibian firm.

While there is no doubt that Namibians benefit from these infrastructures, the low price of labor and low price of consumer goods comes at a cost. Through their low-cost of labor and cheap goods Chinese corporations are effectively extracting the economic value of the Namibian consumer and the economic benefits of Namibian construction workers to China. The Namibian people are trading away the power of their consumption and higher Namibian employment in the low-skilled labor markets for cheap Chinese goods and buildings.
In addition some of the aid projects, which China proposes, have come under controversy. For example, the Chinese Embassy claims to award five Namibian students merit-based scholarships to study in China, however in practice these awards are generally being awarded only to the children of high-ranking Namibian government officials and SWAPO members. In short, while China definitely benefits from its commerce with Namibia in the form of access to Namibia's of mineral resources, construction projects, and consumer market, this is clearly a one-sided arrangement.

In conclusion, the SWAPOs and the Chinese Communist Parties relationship in the years before Namibian independence has become the “ideological’ basis for current Sino-Namibian relations. China drastically increased its investment after the liberalization of the Namibian economy in the form of increased commerce and loans to Namibia, bringing China and Namibia diplomatically closer together. China stands only to gain further influence in Namibia as the years progressed.

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