

## Draft

### SOFT POWER IN ACTION: SINO-UGANDA RELATIONS (1962-2014)

Associate Professor Kasaija Phillip Apuuli, Department of Political Science, Makerere University  
[apuulik@gmail.com]

Sino-Uganda relations were established as soon as Uganda became independent in 1962. The relations have been promoted under the notion of south-south cooperation. Starting in the 1970s, China's influence in Uganda has been based through soft power. Soft power being defined as the ability to co-opt and attract rather than coerce. Over the years, China has exercised its power in Uganda (as in many other African countries) through development projects, and financial assistance in form of loans and grants. The importance of China to Uganda can be seen from investment and trade figures between the two countries. The terms of trade are in favor of China. In the end, increasingly China's asymmetrical soft power in Uganda (especially in the economic field) is causing concern in the local population.

#### Introduction

In his seminal article first published in 1990 by the magazine *Foreign Policy* on the subject of *Soft Power*, Joseph Nye (a distinguished American International Relations Professor) defined Soft Power as "the ability [of a country] to attract and co-opt rather than coerce, use force or give money as a means of persuasion."<sup>1</sup> A country's soft power, he argued, can come from three resources: its culture, its political values and foreign policies."<sup>2</sup> Power, according to him, is the ability to influence the behavior of others to get the outcomes you want. Soft power – getting others to want the outcomes you want – co-opts people rather than coerces them. Soft power is contrasted with hard power which is defined as the use of coercion and payment to persuade. At the 17<sup>th</sup> Communist Party Conference, President Hu Jintao observed that China needed to invest in its *soft power* through initiatives such as opening Confucius Institutes (to propagate Chinese culture and language), and engaging in international radio/TV broadcasting. Historically, China-Uganda relations have been characterized by soft power. In this essay, I demonstrate how, over the years, the PRC since its founding in 1949 has sought to cultivate relations with countries such as Uganda through soft rather than hard power. However, I also note that the asymmetry in the Sino-Uganda relations in favor of the former especially in the economic field, has resulted in the local population to increasingly become worried.

#### Sino-Uganda relations from 1949 to 1971

At the founding of the Peoples Republic in 1949, Ugandans has just started to agitate for their own independence from Britain. Generally, China's attitude towards Africa has been shaped by the belief

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<sup>1</sup> See Joseph S. Nye, *The Future of Power*, New York: Public Affairs, 2011 p. 84

<sup>2</sup>*ibid.*

that both entities see themselves as having experienced and to continue to face common enemies, namely imperialism and neo-imperialism from the developed [western] world.<sup>3</sup> The relations have come to be underpinned by the Five Principles of Peaceful Coexistence (non-interference, respect for sovereignty, friendship, equality and mutual benefit) first adopted at Bandung, Indonesia in 1955.<sup>4</sup>

On 18<sup>th</sup> October 1962, just slightly over a week after Uganda attained her independence, China and Uganda signed a Joint Communiqué to set up diplomatic relations, and the former became one of the first countries in the world to open a diplomatic mission in Uganda. After the Uganda army mutiny of 1964, the government of Uganda adopted a strategy of diversifying centers of training for the security forces as well as the supply of arms.<sup>5</sup> China was one of the countries that was approached and agreed to offer military training to Ugandan personnel.

In recognition of the policy of 'One China', Uganda was one of the 26 African countries<sup>6</sup> that voted for UN General Assembly resolution 2758 (1971) that was adopted on 25<sup>th</sup> October 1971 replacing the Republic of China (RoC) (Taiwan) with the PRC as the lawful representative of China to the UN. According to the USA newspaper, the *Christian Science Monitor*, "following the vote, African delegates in particular were in a frenzy of delight—their arms swooping above their heads and jumping up and down in their seats as wild applause engulfed the circular chamber."<sup>7</sup> Thereafter, Chairman Mao Zedong is reported to have once said, "it is our African brothers who carried us into the UN."<sup>8</sup> In 2000, Uganda supported a draft resolution introduced by China on the maintaining and observing the Anti-Ballistic Missile (ABM) Treaty in the UN.<sup>9</sup>

### Economic relations

The Forum for China-Africa Cooperation (FOCAC) to which Uganda is a member, was established in 2000 following a meeting between eighty ministers from Africa and the Chinese leadership in Beijing. The forum established a Programme of Cooperation between Africa and China covering a number of areas including: investment, financial cooperation, debt relief and cancellation, agriculture cooperation, natural resources and energy, education, and multilateral cooperation.<sup>10</sup> FOCAC meetings have now become institutionalised with the Chinese and African leaders meeting either in China or Africa every year. Nevertheless, Sino-Uganda economic relations predate FOCAC. China has over the years provided Uganda with project aid in form of interest free loans and grants to actualize development priorities as identified by Uganda. The funding of Kibimba and Doho rice schemes are poignant. Kibimba (now Tilda) Rice Scheme is the largest in the country with a total

<sup>3</sup>Ian Taylor, 'China's foreign policy towards Africa in the 1990s', *The Journal of Modern African Studies* 36 (3), 1998, p. 443.

<sup>4</sup>Ellen Lammers, 'How Beijing Consensus benefit Africa? China and Africa,' 22 March 2007 at <http://www.thebrokeronline.eu/en/Articles/How-will-the-Beijing-Consensus-benefit-Africa> (accessed 16 October 2012).

<sup>5</sup> Arthur Shatto Gakwandi, *Uganda and the World: Half a Century of Foreign Policy 1962-2012*, Kampala: UINDP, 2013, p. 9.

<sup>6</sup>Peter Marton and Tamas Matura, 'The voracious dragon', the 'scramble' and the 'honey pot': Conceptions of conflict over Africa's natural resources, 29(2) *Journal of Contemporary African Studies*, 2011, p. 162. There were 72 countries voting for the resolution.

<sup>7</sup>*The Christian Science Monitor*, 27 October 1971.

<sup>8</sup>Marton and Matura, 'The voracious dragon', p. 162.

<sup>9</sup> Obwona et al, *China-Africa Economic Relations: The case of Uganda*, Kampala: Economic Policy Research Centre, September 2007.

<sup>10</sup>See *Programme for China-Africa Cooperation in Economics and Social Development*, Beijing, 2000.

acreage of 1721. China handed over completed construction works with rice processing equipment to the Uganda government in 1982. The construction had begun in 1973. Other projects benefiting from China's assistance include: the Mandela Stadium, Bamboo project for Uganda Industrial Research Institute, China-Uganda Friendship Hospital-Naguru, Entebbe express Highway and Karuma Hydro Power Dam. Of course some of the projects are benefiting from loan facilities from China which means that Ugandans will have to pay back.

According to the American research group, AidData, in the decade between 2000 and 2011, China's aid to Uganda was an enormous US\$4.67 billion.<sup>11</sup> Uganda Investment Authority (UIA) ranks China as one of the top ten countries that have invested in Uganda from 1991 to 2007.<sup>12</sup> As a result China is now among the top priority countries UIA has earmarked for investment promotion. In this regard, the Uganda mission in Beijing scooped the 2004-5 UIA Award for the Best Embassy of the Year.<sup>13</sup>

### Effects Trade relations asymmetry

According to figures from the Ministry of Trade, in 2012 the trade volume between Uganda and China was US\$575.5 million, of which China's exports were US\$546.01 million and imports US\$29.49 million.<sup>14</sup> From the figures it can be observed that Uganda exports 5% of what it imports from China. Put simply, Uganda imports more than it exports to China. The terms of trade between the two countries favour China, as Uganda cannot compete with China. Most Ugandan traders find it much cheaper to bring goods from China which are much cheaper than those at home.<sup>15</sup>

Currently, there are over 200 large Chinese firms involved in various activities in Uganda including agro-processing, manufacturing, energy, tourism, mineral exploration and construction.<sup>16</sup> China's main exports to Uganda include: machines, electrical appliances, textiles, garments, pharmaceuticals, porcelain and enamel products and footwear. Its imports are mainly coffee and plastics which are in raw materials form rather than manufactured goods. The asymmetry in trade relations has continued to raise concerns among the local Uganda business community. In a paper titled: *The Issue of Aliens in Uganda as Affecting the Economy: Where does Uganda Gain and Where does it Lose?* submitted to the Uganda government in 2005, the Kampala City Traders Association (KACITA) outlined four major negative impacts that China economic relations were having on the country. These included: dumping of sub-standard goods and merchandise; engaging in all forms of trade including hawking and other forms of petty trade leading to unemployment; tax evasion and underbidding of Ugandan firms who get no subsidies from the government.<sup>17</sup> Whilst there was no official government response to the KACITA concerns, generally there was consternation within government circles on KACITA's grievances. Government officials asked how can the Chinese be enemies of the people of Uganda when they construct new buildings, write-off Uganda's debts and construct medical facilities among others?

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<sup>11</sup> *ibid.*

<sup>12</sup> Obwona et al, *China-Africa Economic Relations*.

<sup>13</sup> *ibid.*

<sup>14</sup> See Patrick Jaramogi, 'Highlights of China-Uganda relations', *New Vision*, 5 March 2014.

<sup>15</sup> Obwona et al, *China-Africa Economic Relations*.

<sup>16</sup> Jaramogi, 'Highlights of China-Uganda relations'.

<sup>17</sup> For a comprehensive analysis on these concerns see Margaret C. Lee et al. *China in Africa: Current African Issues*, Uppsala: Nordic Africa Institute, 2007.

Nevertheless, local concerns continue to linger especially on Chinese participating in petty trade in Uganda and cheap goods flooding the Uganda market from China.

### **Conclusion**

Sino-Uganda relations which have existed for a while now have been characterised by soft power. This has been done through the establishment of trade and economic relations. China's investments in Uganda continue to define its relations with the country, and the establishment of the Confucius Institute falls within China's strategy of exercising its soft power in Uganda.