Looking East/Going South:
The Namibian-Chinese “All-Weather Friendship”¹

Henning Melber

Abstract
Chinese-Namibian relations are by both governments classified as an “all-weather friendship”. Based on the Chinese support to the anticolonial liberation struggle, the strong political and economic links emerged since the turn of the century. The Chinese presence in Namibia has added to the new socio-economic realities to an extent, which provokes strong and differing responses from Namibians. While the new elite is in favour and support of the exchanges, among ordinary Namibians resentments bordering to xenophobia are clearly visible. This article takes stock of the Chinese activities in Namibia and offers an assessment of their impact as well as a summary concerning the anti-Chinese sentiments. It concludes with an analysis of the nature of a development state and its absence from Namibian governance and policy.

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Introduction

“Namibia is a friend to all, and enemy to none.”

Since moving into office as Namibia’s Head of State on 21 March 2015, President Hage Geingob has repeatedly used this phrase, to characterize a main pillar of the country’s foreign policy. It also served him in defence of increasing questions about the role of China (Thomas 2015). But despite such all-embracing diplomacy, Namibian policy and its relations with other countries displays markedly different degrees of friendship. This case study engages closer with the Namibian-Chinese relations, which signal a marked shift towards what is dubbed a ‘Look East’ policy emerging since the turn of the century.

It can be safely assumed that prior to the implementation of the transitional period under United Nations supervision a year before Namibian Independence on 21 March 1990 no citizen of the People’s Republic of China (PRC) had ever set foot on the territory occupied first by the Germans (1884-1915) and then by South Africa. But already since the Bandung Conference in 1955 China emerged as a non-aligned global player in firm support of the anti-colonial struggles for national sovereignty. This laid the foundation for good relations with the nationalist movements fighting for the self-determination, including the South West African People’s Organisation (SWAPO) as the recognized representative of the Namibian people, including the supply of weapons for the armed struggle and military training for members of the People’s Liberation Army of Namibia (PLAN).

The PRC has since the turn of the century emerged as a global player, which rapidly expanded into the African continent both through a diplomatic as well as an economic offensive. Such links to African countries and the corresponding growing presence of Chinese companies and traders have also become visible in Namibia. This engagement has provoked mixed reactions. While the bilateral relations between the two governments are making reference to an “all-weather friendship”, the Chinese presence is perceived less enthusiastic among the local population. It is often viewed with reservations if not outright suspicion and rejection, at times bordering to xenophobic behaviour and actions. Based on the hitherto available studies
and reports in the local print media, this article offers an analysis of Namibia’s relations with China.  

Consolidating the “all weather friendship”

Since the late 1960s SWAPO combatants had received military training in China. At its 1969 congress in Tanga/Tanzania the organisation’s leadership thanked China together with other countries “for the moral and material support it had given the movement” (Sherbourne 2007: 161). SWAPO President Sam Nujoma visited the People’s Republic seven times during the 1970s and 1980s (Du Pisani 2014: 115). He was among the few African leaders who openly declared his support to China’s brutal oppression of the democracy movement. After the June 1989 Tiananmen Square massacre, when the transition to independence under an UN-supervised interim period was implemented, Nujoma expressed in a message to the Chinese ambassador in Luanda “his understanding of [the] resolute action taken by the Chinese Government and the People’s Army to put down the counter-revolutionary rebellion” and congratulated the Communist Party “on their victory in quelling the counter-revolutionary rebellion” (Taylor 1997: 115).

China opened an embassy directly after Namibia’s Independence in 1990. In 1991, an Agreement on Economic and Technical Cooperation defined the framework for trade and investment between the two countries. In 1995, Namibia opened its embassy in China, while Sam Nujoma during his three terms in office as Head of State added five official visits to the People’s Republic in 1992, 1996, 1999, 2000 and 2004 (Du Pisani 2014: 116). On 20 July 2004, the increasingly closer exchange relations also in economic terms manifested in signing an Agreement on the Establishment of the Joint Commission of Bilateral Economy and Trade. But also in the areas of defence and security a closer cooperation emerged, with the procurement of military equipment from China as well as training of senior officers of the Namibian Defence Force at a military academy in Shanghai (Du Pisani 2014: 125).

During the last decade, numerous diplomatic exchanges accompanied the unfolding engagement of China with and in Namibia, consolidating the diplomatic-political as well as economic ties. Some of the more noteworthy events included:

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2 Parts of the undertaking benefitted from an earlier effort (Melber 2017), which served as a point of departure for this new assessment.

3 Based on summaries in Melber (2016) and other local media reports.
- A Reciprocal Investment and Protection Agreement signed in August 2005, which paved the way for Chinese firms to enter the Namibian market.

- A 47-member Chinese delegation of government officials and business people visiting Namibia in November 2006. The head of delegation qualified the bilateral relations as a “natural alliance”. A loan of N$ 189 million for the purchase of trains and an agreement on investment promotion and protection were signed.

- A state visit by President Hifikepunye Pohamba in December 2006, during which he declared that it served the purpose to strengthen economic ties with an old friend, who had helped Namibia to attain Independence.


- The departing Chinese ambassador announced in September 2007 that the two countries had signed some 20 agreements during the past four years while the trade volume had tripled between 2003 and 2006.

- In March 2010, the chairman of the Chinese People’s Political Consultative Conference and the Vice-Minister of Foreign Affairs were in Namibia.

- Former President Sam Nujoma and Trade Minister Hage Geingob attended the Shanghai World Expo 2010 on different occasions.

- Visiting China, Agriculture Minister John Mutorwa signed a bilateral trade agreement in December 2010, for the future export of meat and fish, grapes and dates.

- China’s Foreign Minister, Yang Jiechi, visited Namibia in January 2012. He signed another technical cooperation agreement.

- The Namibian Deputy Minister for Trade and Industry declared at a business forum with a Chinese delegation in March 2012 that China is an alternative more than double the size of the European market, which created through its Economic Partnership Agreement (EPA) unacceptable conditions. Suggesting that Namibia’s agricultural products could be exported to China instead of the EU, he added, “this government does not sit idle in the face of humiliation”.

- In March 2012, Theo Ben Gurirab, former Foreign Minister and Prime Minister, then Speaker of the National Assembly, addressed a Chinese delegation of Members of Parliament headed by the Vice Chairperson of the Standing Committee of the National People’s Congress, Hua
Jiamin. He criticized Western military and economic hegemony and warned that, “military intervention and regime change have replaced dialogue and peaceful co-existence”.

- During a three-day visit, the Chinese Deputy Prime Minister Hui Lianghui signed in April 2012 another five cooperation agreements.
- While on a state visit to China, Prime Minister Hage Geingob met President Xi Jinping in April 2014.
- In August 2015 the Namibian Minister of Agriculture signed another Protocol on exporting beef to China as the first African country.
- In November 2017, members of the National Committee of the Chinese People’s Political Consultative Conference visited Namibia.

As these few examples show, the SWAPO government has always been strongly in favour and defence of its “Go East” policy, of which the anti-imperialist rhetoric is an integral part. The iconic SWAPO leader and first Head of State Sam Nujoma, maintained in an interview in 2011 “that people who complain about the Chinese are narrow-minded, as they do not appreciate the role played by Chinese, in the course of Namibia’s liberation struggle” (Mushelenga 2015: 207).

Attending the Forum on China-Africa Cooperation (FOCAC) Summit in Johannesburg on 4/5 December 2015, Hage Geingob now as President met again with Chinese President Xi Jinping. In his speech he emphasised that the partnership with China “is one built on long lasting and historic solidarity, as well as mutual respect. It is therefore offensive when we are lectured by certain nations and warned about the so-called Chinese colonisation of Africa.” (Republic of Namibia/Office of the President 2015: 3) He applauded a number of key Chinese investments in Namibia and praised as invaluable the two countries’ deepening cooperation, especially with regard to infrastructure. He rebuked any criticism of the Chinese engagement in no uncertain terms:

It is ironic that those who warn us are the same nations who sat around the table at the Berlin Conference in 1884 and carved out colonies in Africa with the sole intent to develop their countries with our mineral resources and the blood and sweat of our forced labour. The same countries who complain about Chinese investment in Africa are themselves recipients of large scale Chinese investment. As these
nations have faith in their capacity to negotiate the best deals for themselves, Africans too have this same capacity. Africa is free now and so is our ability to deal with those we choose to deal with, in our terms. (Republic of Namibia/Office of the President 2015: 3)

On 5 February 2016 the Chinese Minister for Foreign Affairs, Wang Yi, paid a courtesy call to State House in Windhoek as a follow up to the FOCAC Summit. He praised the Namibian Head of State for refuting the allegations against China, thereby testifying to the true friendship between the two countries. Geingob reiterated that now is the opportunity to establish with those who have been loyal supporters of the country’s struggle for Independence a win-win situation (Ministry of Foreign Affairs/People’s Republic of China 2016). When meeting Netumbo Nandi-Ndaitwah, Namibia’s Deputy Prime Minister and also Foreign Minister the same day, she applauded China for being “a true, trusted and reliable friend” (Kahiruika 2016).

While in tendency justifying the Chinese engagement as part of a largely beneficial economic diplomacy, Mushelenga (2015) also acknowledges the side effects of what he terms a “deep-pocket/cheque-book diplomacy”, which makes high-ranking political office bearers beneficiaries of preferential treatment bordering to bribery. 4 Certain investments by the Chinese government beyond the red carpet have indeed exceeded the ordinary friendly diplomatic relations:

- China has in the past made financial donations to SWAPO as a political party in independent Namibia.
- China translated the biography of Sam Nujoma into Mandarin and launched it with pomp on 20 July 2004 in Beijing in the presence of the Namibian President, who was on his 12th visit to the country.
- China also clandestinely provided stipends to family members of the SWAPO party elite. The beneficiaries of study grants, secretly awarded to nine children from privileged (politically highly influential) families for studies in the People’s Republic included a daughter of President

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4 This observation deserves special recognition due to the fact that the author at the time of writing this PhD thesis had been Namibia’s Deputy Foreign Minister. Since 2018 he is the Minister for Urban and Rural Development.
Pohamba. This provoked a public outcry and even became a newsworthy item in established US-American media (LaFraniere 2009).

Such “fringe benefits” have further strengthened the Namibian-Chinese friendship, which manifests itself also in continued support of military hard- and software of the PRC to independent Namibia. When speaking at the commissioning ceremony for two naval vessels, President Geingob left no doubts:

It has been said that, ‘It is better to have one loyal friend than a hundred fair-weather friends.’ In the People’s Republic of China, Namibia has a loyal friend; an all-weather friend. The acquisition of these two ships came as a result of China’s People’s Liberation Army, which offered to donate to the NDF (Namibia Defence Force; H.M.) in 2014, two Submarine Chasers, with surface and undersurface targets attacking capability.

(...) This process is a testament to the cordial and all-weather friendship that exists between the Republic of Namibia and the People’s Republic of China, which is accentuated by the commitment of the Chinese Liberation Army to render support to the NDF in terms of training of military personnel and supplying of military equipment. (Republic of Namibia 2017: 8f.)

On the background of such well-established links, President Geingob announced in mid-March 2018 that he soon will head for another state visit to China. He declared:

We are very honoured – I would say as a small country we are number one or two to have been invited to China. We are going to arrive there when the president has just been given a new mandate, a very powerful mandate. (Nakale 2018a)

The state visit took place from 28 March to 3 April 2018. President Geingob was accompanied by a large entourage of 81 persons, including seven cabinet members, six senior government officials and over 60 businesspeople from state owned enterprises and the private sector (New Era 2018, Iikela 2018b). At a meeting with Chinese President Xi Jinping the “all-weather-friendship”
was officially elevated to a “comprehensive strategic partnership of cooperation” with Namibia joining the Belt and Road Initiative and signing several bilateral cooperation agreements (Xinhua 2018). Amidst public speculations back home in Namibia about the possible “shopping list” in the luggage (Immanuel 2018b), President Geingob dismissed “comments smearing bilateral cooperation”. He told the Chinese press agency Xinhua that Chinese investment in Namibia is not only “digging out resources” and that no other country “has added so much value to our products” (Reuters 2018). Finance minister Schlettwein subsequently dismissed reports that China tried to “recolonise” Africa through the provision of loans (Smit 2018). The state visit was followed by another high-calibre political-diplomatic appearance of China in Namibia through the official visit of the chairman of the Standing Committee of the National People’s Congress from May 15 to 17, 2018 (Tjitemisa 2018). Geingob once again used the opportunity to lash out at critics, who warned of the dangers of a new dependency emerging (Nakale 2018b).

**Chinese Economic Engagement**

Chinese economic activities started off most visibly in the retail sector and major construction works. During the first decade after Independence a countrywide net of Chinese trading shops mushroomed. These reminded of the “native shops” of earlier times, when (white) traders offered simple consumer goods to the African population even in remote areas. A database of the Ministry of Trade and Industry listed in 2009 more than 500 registered Chinese shops (Jauch/Sakaria 2009: 262). The shop owners and shopkeepers are mainly from Fujian. They seem well connected and organized but often have no proper permits to run their business and depend on bribing officials to be not deported (Cissé 2016).

With the open border to the Northern neighbour Angola and the unfolding oil boom creating considerable purchasing power there, a flourishing hub fuelled by larger-scale Chinese (but also other expatriate) investments in wholesale and retail enterprises took off since the turn of the century in the informal border town of Oshikango. As a result of the boom, it was upgraded into Helao Nafidi Town in 2006. Declared as an Export Processing Zone

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5 Based on summaries in Melber (2016) and other local media reports.
6 Namibia’s population of now some 2.3 million people occupy some 825,000 square kilometer of mainly semi-arid and arid land.
(EPZ), Oshikango boomed for years (Dobler 2008b, 2009a and 2009b), until the massive drop of the oil price affected the purchasing power from Angolan customers with devastating consequences for local businesses. Combined with the collapse of the exchange rate of the Angolan currency the export from Oshikango to Angola declined between the second quarter of 2014 and the last quarter of 2015 by 85%, resulting in a “crisis of epic proportions” (Iikela 2016) with hundreds of local employees retrenched (New Era 2016). Since then, most Chinese traders relocated their businesses, but remain to a large extent operational in Namibia’s Northern region, which is home to the largest population group. Their competition with members of the local business community remains a bone of contention in the northern towns (The Patriot 2018).

Chinese grants for the construction of several public buildings helped Chinese companies to secure considerable stakes in the Namibian public works sector. They are dominating competition for state tenders for office buildings, roads, railways, harbour and airport upgrades. The low-cost bidding strategy by Chinese contractors is based on lower salaries (often also for imported labour) and a much lower calculated profit margin, reportedly often limited to 10%, while local and South African companies are said to apply up to 50% profit margins (Niikondo/ Coetzee 2009: 36; Dobler 2007: 101). The dominance of Chinese companies in the Namibian public works sector is illustrated by the fact that a tender for a highway expansion of 28 km road between Windhoek and Okahandja (the next town on the main road North of the capital) advertised in mid-2015, attracted 22 bidders, of which 16 were Chinese.

A preference to Chinese contractors is even given in violation of the tender announcement. In 2010 the Namibian Development Corporation issued two tenders on behalf of the Ministry of Agriculture, Water and Forestry for the construction of two fresh-produce business hubs (FPBH). The tender specified that contractors must be Namibian owned. As the Tender Bulletin end of May 2018 disclosed, the N$ 107 million tender for the FPBH in Ongwediva and the N$ 113 million tender for a Rundu FPBH were awarded to two Chinese main contractors instead. In 2014, a N$ 149 million tender for a Windhoek FPBH was given to a joint Namibian-Chinese venture despite a tender specification to restrict the award to 100% Namibian-owned enterprises and nationals (Sasman 2018e).
Another “tender saga” entered headlines when it became known that the state-owned Roads Contractor Company (RCC) had signed a loan agreement with a Chinese company on 6 April 2018, directly after President Geingob’s state visit and government’s public dismissal of claims that it would try to solve liquidity problems through Chinese loans. Being cash-strapped and facing financial collapse, the RCC obtained from the Nantong Sanjian construction group a N$ 580 million loan to implement its plans as a kind of bail out to avoid liquidation. In return, the agreement secures the company tenders to the amount of N$ 2 billion out of planned projects amounting to approximately N$ 4.1 billion over a period of 14 years, while the bail out loan had to be repaid over five years with an annual interest rate of 15%. This agreement was entered without any authorisation and only made public by an investigative journalist (Immanuel 2018c). Minister of Finance Calle Schlettwein announced only days after the story broke that in violation of the State Finance Act and the Public Procurement Act legal provisions were completely ignored and that some of the road contracts stipulated in the loan agreement were not even budgeted for (Sasman 2018c). Similar to the contested tender for upgrading the Windhoek airport, the matter will most likely end in court and even if the agreement might be cancelled it could cost dearly. – “All-weather friends” are not always very friendly when it comes to the need for an amicable solution of business matters.

The biggest construction projects yet are executed by China Harbour Engineering Company (CHEC). It builds a new container terminal in the deep-sea harbour town of Walvis Bay. The contract of US$ 220 million was awarded in 2012. The investment seeks to consolidate the status of Walvis Bay as a regional hub and export route from SADC countries such as Zambia and the Democratic Republic of the Congo. CHEC also constructs a complementing national oil storage facility at a cost of US$ 400 million (Musariri 2017). The latter project, executed on behalf of the Namibian state-owned enterprise Namcor, is currently discussed controversially, since its operation and management needs expertise not available in Namibia (Brandt 2018). Furthermore, a local company Xaris had secured a N$ 5 billion energy tender for a power plant under dubious circumstances (Immanuel 2017b), criticized as a deal which only favoured politically connected stakeholders (Immanuel/ Shapwanale 2017). The contract was terminated and became a matter of legal contestation (Immanuel 2018a). In March 2018, the Supreme Court confirmed the annulation of the awarded tender (Sasman 2018b). These
linkages are a typical example how local elite interests seek shady benefits by “piggy-bagging” on projects awarded to Chinese counterparts. When celebrating the 65th anniversary of the PRC on 2 October 2014, the Chinese Ambassador to Namibia stated that 40 Chinese companies had operations in the country, managing about US$ 3.4 billion worth of investments, and employing a total of 4,000 local people (New Era 2014). By 2017, Chinese investments into Namibia stood at US$ 5.3 billion, of which 5.2 billion were spent on uranium mining (Von Alten 2017). With US$ 4.6 billion, the Husab uranium mine became the largest single investment of the Chinese government on the continent to date (Deboom 2017). As one of the largest known uranium deposits in the world it has a production potential of 15 million pounds uranium oxide per year. Fully operational during 2018, it will rank Namibia among the top producers on the world market.

Another major project by Chinese investors was announced by the Namibian cement importer Cheetah Cement, which is planning to set up within the next two years for US$ 30 million a cement plant aiming at a production output of 1.5 million tonnes annually under the locally based Whale Rock Cement. This will elevate Namibia’s total cement production to 2.2 million tonnes per year with an average local consumption of about 600,000 tonnes per year and thereby enhance competition in the sub-regional markets (Oshili 2016). While the Chinese presence in the extractive industries continually expanded, trade relations soared too. But they reproduce a similar asymmetric pattern as with other industrialized partners, where raw material is exported and manufactured goods and commodities are imported – with a negative balance. As of 2015, goods amounting to N$ 6.28 billion were imported from China as the second biggest importer, while Namibia exported goods to the amount of N$ 1.99 billion to China, which made it the seventh ranked export market. The skewed trade relations were illustrated by a trade deficit of N$ 4.3 billion (Duddy 2016).
Anti-Chinese sentiments

Despite the mutual interests, not all Chinese projects have been smooth “business as usual”. Some planned investments were at the centre of public controversy and debate. A major dispute erupted during 2015, when it was announced that the Regional Governor of the Zambezi region had offered the Chinese company Namibia Oriental Tobacco 10,000 hectares of land for a tobacco plantation. The Minister of Health opposed the intended use of land for tobacco production, while local people complained that they need access to land for their subsistence instead. The plan has since then been shelved and the land turned into an agricultural project linked to the illegal logging of wood (see below).

Controversy also surrounded the awarding of a N$ 7 billion tender to the Chinese Anhui Foreign Economic Construction Cooperation for the upgrading and expansion of Windhoek’s international airport in 2015. Amidst accusations of irregularities in the awarding process, President Geingob revoked the decision and cancelled the contract at the end of the year. Instead, the tender was re-advertised. In February 2016 the Chinese company announced that it planned to seek an interdict from the Namibian High Court to set aside the government’s decision as unlawful and invalid, since it had already taken significant steps towards the implementation of the contract. It also indicated its willingness to adjust the bid to a reduced cost estimate of N$ 3 billion, which caused some consternation in the public, as documented by the following “SMSes of the Day” (The Namibian 2017):

Mr President, any contractor or tenderer who is prepared to reduce a N$7 billion offer to N$3 billion should be banned, rejected and sent back to China immediately! Something very suspicious is going on. I smell a scam, corruption or maybe even self enrichment here.

Continued high unemployment and the gross disparities in income distribution among Namibians soon contributed to anti-Chinese sentiments. The massive presence of Chinese, not least in the construction sector with large-scale projects under state tenders, regularly provokes criticism over the importation of cheap labour from China for public construction work. Chinese bids (often subsidised by the Chinese government) undercut local offers at the expense of investment in Namibian capacity and work places, while on numerous occasions also violating Namibian labour legislation. A
study of the trade union affiliated local Labour Resource and Research Institute (LaRRI) criticized that state tenders are awarded in deviation from the prescribed procedures and lists numerous violations of the Labour Act:

Such practices undermine not only Namibia’s legal foundation but also erode the country’s social fabric. (...) This is why many Namibian workers indicated that they regarded the working conditions at Chinese companies as a new form of colonialism. They simply reminded them of conditions they had to endure before 1990. (Jauch/Sakaria 2009: 39)

Since 2015 an economic crisis of hitherto unforeseen dimensions had unfolded, which partly paralyzed the country’s construction sector and crippled the local industry. This exacerbated the competition for job security. Amidst retrenchments the secretary general of the SWAPO affiliated National Union of Namibian Workers bemoaned that Chinese companies aggravated the situation:

You cannot have an individual builder from a developing country competing for a tender with a foreign state-owned company from a developed country with sophisticated skills. These types of situations are killing our small-scale builders because they never get a chance to develop. (Beukes 2017)

Latest estimates suggest that job losses during the financial year 2016/17 amounted in the local construction sector to over 6,000 workers (Iikela 2018b). While these were mainly the result of a financial crisis by the state, and the subsequent cutting in capital investments, Chinese companies executing state tenders are associated with this setback. Chinese operations remain also in other sectors controversial. In 2007 the President of the Namibian Chamber of Commerce and Industry (NCCI) expressed strong concern over Chinese investors who enter into so-called kapana business (i.e. local street vendors who try to make a living by selling prepared food). In 2010 the NCCI’s Chief Executive Officer in an interview reiterated problems where Chinese “venture into small businesses that should have been left to local investors” (Mushelenga 2015: 206 and 210).
The large-scale mining operations are also not welcome by everyone. President Geingob praised at the FOCAC Summit the Husab Mine as having “brought meaning and purpose to the life of previously unemployed Namibians” (Republic of Namibia/Office of the President 2015: 4). Not all among these agreed. Just weeks before dissatisfaction among locally employed workers over employment of large numbers of foreigners (mainly from Ghana and the Philippines) in jobs, which allegedly could be filled by qualified Namibians, erupted into a series of wild strikes and violent acts against infrastructure. And when some time later President Geingob congratulated the mine’s management publicly for its good work, a “SMSes of the Day” presented a different perspective:

President Hage Geingob, we, the workers at Husab Mine, saw your letter to the mine congratulating the management for good work. What good work? We are colonised by these Chinese. People are even recruited according to tribe, which is apartheid in itself. And there are differences in salary for the same job. Talk to our union and acquaint yourself with the reality. (The Namibian 2017)

As not only this example shows, the view on the ground differs at times substantially from that at the top echelons of society. As succinctly summarized by Amadhila (2013: 94f.), the grassroots’ perception is suspicious of the official praises:

China’s seemingly aggressive economic presence in the construction and retail industry is mostly responsible for shaping negative perceptions of Sino-Namibian relations. Citizens are very much aware of the economic and social threat of the use of Chinese companies and workers in the construction of public and private projects and the increase in the number of Chinese traders in the country. China is perceived to be an emerging economic power that has no concern for the rights and wellbeing of the Namibian people. The apparent disinterest of the government in taking action against China’s

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7 That Chinese mining operations are not by definition good was confirmed by the decision of the Namibian Chamber of Mines to expel a Chinese managed copper mine, in operation since 2010 and marred by accidents and the violation of labor laws before, due to its continued neglect of basic safety regulations in December 2017 (Nhongo 2018).
dominant economic and social presence in the country is causing widespread criticism of Sino-Namibian relations. Despite the positive perceptions that lower-income citizens have of small Chinese retailers and their affordable goods, they pale in comparison to the overall negative perceptions of Chinese presence in Namibia.\textsuperscript{8}

Reports in the media about humiliating treatment of local employees in the retail shops add regularly fuel to the flames. Close to Windhoek’s Northern industrial area some 50 Chinese shops are accommodated in a garage compound dubbed “Chinatown”. In February 2012 the local weekly newspaper “The Economist” claimed in an article that the monthly salary for the on average two local employees (mainly young women from the Oshivambo speaking majority who among others are tasked to serve as translators, since the shop-owners hardly speak any of the local languages, including English) ranged between 300 to 400 N$ as the minimum and 1,600 N$ as the maximum (the latter was around US$ 100 at the 2015/16 exchange rate). A survey by Niikondo/ Coetzee (2009: 30) established that 76% of their respondents in Chinese retail shops had wages in the range of N$ 100 to N$ 500 per month compared to 44% employed in local small-scale retail shops, while only 16% of those employed in Chinese shops earned between N$ 500 and N$ 1,000 monthly. An exploratory visit by journalists of “The Patriot” (2018) confirmed that in 2018 the average salary in the Northern Chinese businesses did not exceed N$ 500. Their employment generally includes neither social security payments nor medical aid, lacks any holiday benefits or other work-related entitlements and does not protect from immediate dismissal without compensation. Niikondo and Coetzee (2009: 33) already concluded,

[…] that a large number of people working for the Chinese are just hanging in there, either while they are looking for other jobs or because they failed to get jobs elsewhere in the labour market. The problem would be that these people are extremely at risk of being abused because they have very limited hope of finding other jobs if they quit from their Chinese employment.

\textsuperscript{8} For a shorter summary version of this instructive MA Thesis see Amadhila (2012).
Several cases of robbery, in which reportedly large amounts of money in different currencies were stolen from Chinese victims, contributed to the popular opinion that these are hoarding cash. Chinese caught red handed for illegally trying to smuggle large sums of money abroad added to the image. By the end of 2016, a large-scale investigation for fraud, tax evasion and money laundering involving more than N$ 3 billion was reported. It also included a company linked to a business partner and friend of President Geingob (Immanuel 2016). After his temporary arrest and release on bail, the President was eager to declare that there would be no interference into the course of the law (Immanuel 2017a).

Tax evasion by Chinese businesses seems a common occurrence. Small traders are known to only accept cash payments without receipt, while being a strong competition for locally owned retail shops. At a meeting between local shop-owners in Northern Namibia and the finance minister, these complained “about Chinese and other foreign businesses getting favourable treatment yet ‘those foreign business people are tax dodgers’” (Nakashole 2017). By late 2017 the Chinese embassy even offered an introduction into the Namibian tax system. As the ambassador declared then “We will continue to promote education campaigns among Chinese citizens to raise their awareness to abide by the law” (Tlhage 2017), while the Namibian government was eager to stress that Chinese businesses have to comply with the tax regime too (Sasman 2018a).

Other activities damaging the reputation of Chinese individuals are their involvement in the violation of laws protecting the nature and especially wildlife. At the end of 2016, 40 local NGOs published an open letter to the Chinese ambassador, which noted that before the arrival of “Chinese nationals in significant numbers in Namibia, commercial wildlife crime was extremely low”. Since then poaching, illegal wildlife capture, collection, killing and export has increased exponentially”. This includes rhino and elephants for horns and ivory, pangolins, fishing with monofilament nets, bush-meat poaching including protected and endangered species, illegal collection of shellfish and transport of poached abalone from the Cape through Namibia. The signatories warn that “unless effective action is taken now to halt wildlife crime, your country will get an increasingly bad name” (Namibian Chamber of Environment 2016).

Chinese individuals and companies are also implicated in large-scale illegal logging and timber trade (Smith 2017). In the Caprivi State Forest not far from
the regional capital Katima Mulilo at the Namibian border to Zambia hundreds of teak and rosewood trees were illegally poached upon directives of a controversial Chinese businessman (Grobler 2017). At the end of 2017 the Namibian Anti-Corruption Commission seized five loads of logged wood transported by lorries to the Walvis Bay harbour to be shipped to China (Beukes 2018). It also emerged that the abandoned tobacco farm project outside of Katima Mulilo (see above) was turned into an agricultural irrigation scheme which sought for permission to “harvest” the only teak forest in the country. Zambezi teak is classified as “near threatened” and the official integrated land use plan for the Zambezi region advised in 2015 against large-scale irrigation farms, while a strategic environmental assessment cautioned not to clear woodland (Sasman 2018d).

There are allegations that high-ranking Namibian officials are involved in such and other organised crime and of “Chinese organised crime syndicates, called triads, who are working in cahoots with Namibian crime syndicates” (Namibian Sun 2017). In the public debate, the notion of “state capture” became associated with a “Chinese puppet theatre” (Amupanda 2017). While the Chinese-Namibian friendship seemed to be effective in multiple aspects, growing sentiment among ordinary people were visible “side effects”, which strongly indicated that the Chinese presence was not by all welcomed.

Unconfirmed rumours added fuel to the flames by claiming that up to 100,000 Chinese may have entered Namibia to make a living (an amount, which would outnumber the white population), and that there are hardly any benefits for the local economy in the investments the state makes through tenders allocated to Chinese companies, often funded by soft loans from the Chinese Exim Bank and tied to supply of goods and staff from the PRC. Claims also maintain that capital flight amounted to N$ 20 billion within 36 months in 2012/2013. While all these figures and accusations fall short of watertight evidence, they promote the widely spread general feelings expressed in the column “A word or two...” in a local newspaper, that Namibia is a prey to the Chinese (The Villager 2017).

As observed in response to this opinion, which was accompanied by a distastefully stereotyping aggressive cartoon of racist proportions, and also referring to numerous statements tantamount to hate speech in the social media, the xenophobia displayed was qualified as a reminder of “Nazi-Germany’s discourse”. In contrast, it was maintained that “criminal intent transcends continent, class, color or creed, hence singling out all Chinese will
be an irrational xenophobic action”. Rather, one should “effectively tackle the problem of crime whether originating from the Chinese, Namibians, Germans or the South Africans” (Pakote 2017). Already years earlier, Hengari (2011) commented on the “ugly part of the China-Namibia relationship” as a threat to the national interest of both countries. He urged:

If China is to be seen as a responsible emerging power, it must ground its foreign policy into ethical concerns and a positive sum-game. The adverse will not only be costly to the official Namibia-China relationship – it is potentially starting to cast China as reckless neo-colonial power, albeit of a different type.\(^9\)

**Conclusion: The Limits to a Developmental State**

Sino-Namibian relations can, subject to the eyes of the beholder, be classified as a matter of solidarity or xenophobia (Dobler 2008a). This dichotomy is reinforced by a political culture which tends to discourage “public debate on sensitive matters”, which “extends to the different perceptions about China’s presence in Namibia from various sectors in society” (Amadhila 2013: 74). The Namibian case and the divergent views at different levels of society is however no singular discrepancy but only one among several examples indicative of contrasting perceptions between government and citizens within the same country as regards the role of China.

The different to opposite views are also reflected in the general analyses of China in Africa (for summaries see Lee et. al. 2007, Melber 2010, 2013a and 2013b). There are concerned and critical voices within the general debate that are more reluctant than others to argue for a welcoming embrace to a new global player, which after all might not change the rules of the game but simply join the hegemonic club. Their fear is that China in the end merely offers more of the same. In particular, those representing a labour movement perspective argue that the employment conditions in Chinese companies tend to be even worse (Jauch/ Sakaria 2009, Jauch 2009). Others argue that Chinese and other companies representing emerging economies are contributing to a wider range of opportunities and should not be dismissed or ridiculed (Bräutigam 2010, Cheru/ Obi 2010, Harneit-Sievers et al. 2010, Shinn/ Eisenman 2012). They also maintain that malpractices by Chinese

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\(^9\) Notably, the author is since February 2018 the press secretary for President Geingob in the State House.
investors – put into perspective – would not exceed those by other external agencies. However, even highest-ranking Chinese officials are willing to admit that there is room for improvement. According to the Chinese news agency Xinhua (2013), the country’s Vice Foreign Minister Zhai Jun at a forum on Chinese businesses in Africa stated on 18 March 2013 in Beijing: “Making quick money and leaving is a myopic action, and ‘catching fish by draining the pond’ is unethical.”

The times of the Berlin Conference 1884/5, when external powers sliced up the continent into colonial territorial entities without any meaningful participation of local agencies are past. Decolonization has created new realities by establishing sovereign states governed by local policy makers. The principle of self-determination and territorial sovereignty does apply, even though it seems all too often a hollow declamatory reference in the absence of meaningful power over a country’s own affairs and the use of its resources. At the end, however, the local power constellation does play a role, and it could well be decisive. There is manoeuvring space and room for negotiations with any external interests seeking own gains, which could be used if the political will exists. In recent discussions on the notion of democratic developmental states in Southern Africa it was pointed out that the effectiveness of such governance

[...] was its ability to combine state autonomy and embeddedness in a mutually reinforcing manner, safeguarding the state from capture by particular interests that would undermine its internal coherence and ability to interact with its economic partners. It is through its embedded autonomy that the state can strategically and selectively intervene in the sectors, products, markets, technology, etc., deemed crucial to the future of industrial growth and transformation. (Kanyenze et al. 2017: 11)

Lessons from the Chinese developmental state are hardly applicable (Amupanda 2016). Namibian government policy lacks - despite occasional pseudo-radical rhetoric - the political will to transform the by and large neoliberally managed economy through redistribution of resources and a change of ownership structures, in combination with a political culture of entitlement considering individual enrichment at the expense of social progress acceptable. While many among the “political veterans have a
telepathic affinity with China” (Musariri 2017) based on the days of Namibia’s liberation struggle,

[...] the ideological predispositions of the Namibian state appears contradictory and therefore difficult to pin down (...). Coupled with increasing signs that the ‘politics of the belly’ have taken root, there is a danger that societal institutions tasked with oversight functions (such as the Anti-Corruption Commission and Parliament) are unable to prevent the predatory behaviour of those in charge of public resources and those lining up to derive corporate and personal benefits from them. (Jauch/ Tjirera 2017: 181 and 187)

The interaction between Africa and China brings us back to the roles of the policies of the governments, of the state, of political office bearers, civil servants, and so-called tenderpreneurs – not to mention the all too weak local bourgeoisie, anything from acting “patriotic”. If and to which extent the majority of the African people benefit from the old and new actors on their continent depends at the end as so often once again to a large extent upon their rulers – and not least but most importantly on their own social struggles. But it also requires the state as an actor, who provides the arena for such struggles without being the machinery for oppression and the vehicle for the interests of a tiny elite. Establishing additional state control is in principle a step into the right direction – provided that this is not limited once again to a self-enrichment scheme through appropriation of revenue and rent seeking by the elites in control over the state. As Dobler (2007: 108) concludes:

African governments will not change China’s role in the world economy nor the leverage that comes with it, but policy measures they implement now may contribute to transforming its consequences and may determine whether China’s emergence will reshuffle the cards in Africa’s international economic relations or simply change the players.

Many remain sceptical over the dominant exchange mechanisms. The motive of such scepticism is not to protect Western or Northern interests at stake. On the contrary: the fear is that China at the end merely offers more of the same and continues business as usual. The ultimate challenge therefore remains with the government of Namibia. It needs to show to which extent it has the
political will to turn the “all-weather friendship” into the win-win-situation so often declared as the ultimate rationale by the Chinese policy makers when justifying its political and economic partnerships.

As the second Vice President of the NCCI declared in an interview 2013, “the problem is not the Chinese investors” but “rather how Namibians relate to the Chinese” (Mushelenga 2015: 210). Local responses to the Chinese presence are a result of the laissez-faire policy of their government towards the Chinese investors, which led to “increasing xenophobia and resentment against Chinese in general and Chinese shop owners in particular” (Dobler 2009b: 718). The praise songs by the local elite in defence of the Chinese partnership are creating even more suspicions. These are fuelled by incidents which seem to confirm the pact among elites. In mid-June 2018 the Namibian Press Agency reported that the Chinese telecommunications giant Huawei had donated 157 tablets to all members of the Namibian National Assembly and the National Council, which none of them seemed to have refused to accept. Rather, the Minister of Information and Communication Technology welcomed the donation as a cost saving measure. Asked if such gifts were justifiable, a member of the official opposition responded: “Mind you, it is not a treat. It is an entitlement.” (Nampa 2018).

According to Odada/Kakujaha-Matundu (2008: 22f.), local economists “bemoan the absence of a coherent strategy (...) to engage local industry in the Sino-Namibian trade”. They believe “that this relationship would not go beyond the exports of minerals and agricultural products, unless deliberate efforts are made”. After all: “Apart from some job creation and popular access to cheaper goods”, the presence of Chinese traders and companies “is not likely to contribute much to the Namibian economy” (Dobler 2009b: 725).

While mining operations happen mostly at locations away from human settlements, the retail and construction sectors display the most visible presence of Chinese in Namibia. But they are also vulnerable, since they often depend for trade and residence licenses and their business operations on Namibian officials in home affairs and customs, who are needed for political and administrative protection. They secure such protection through an alliance, which “merely creates an additional rent income for some Namibians without changing their economic behaviour, and it prevents economic development (...) rather than fostering it” (Dobler 2009b: 710).
In contrast, Husab uranium mine as the biggest single Chinese investment on the continent so far exemplifies the skewed and asymmetric exchange relations on a different scale. It is

[...] a postcolonial hybrid that signifies both the empowerment of the Namibian state in the global political economy of uranium and the deepening of historical inequalities associated with uranium extraction. It simultaneously challenges historical exploitation and reinforces that very exploitation, particularly for Namibian minority communities living near uranium mines. (Deboom 2017: 3f.)

As regards the obvious discrepancy between the official bilateral “all-weather friendship” and the far more critical views from the grassroots, Namibia seems to be a typical case where a lack of policy intervention and protective measures opens space for abuse by foreign, in this case Chinese, economic actors. As Dobler (2017: 13) concludes, “Namibian political and economic elites more and more resemble the comprador bourgeoisie of colonial times” by providing the missing links for the extraversion of resources in return for a share in the profits. Such alliance between tenderpreneurs and investors is a variant of state capitalism driven by the self-interest of well-connected elites. This in return triggers sentiments bordering to racism from those ordinary citizens feeling negatively affected on the ground.

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