

## Why the Chinese Sponsored the TAZARA:

### An Investigation about the People's Republic of China's African Policy in the Regional Context, 1955-1970

Yu, Donghai

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University at Buffalo, State University of New York

Phone number: 716-259-3943

Current Email: donghaiy@buffalo.edu

Current Address: 66 Raintree Island, Apt 6

Tonawanda, NY, 14150

Permanent Address: Gaoxin Qu, Kanghong Road, 766

Shengshihuacheng, 7-2-902

Jinan, Shandong, China, People's Republic of, 250101

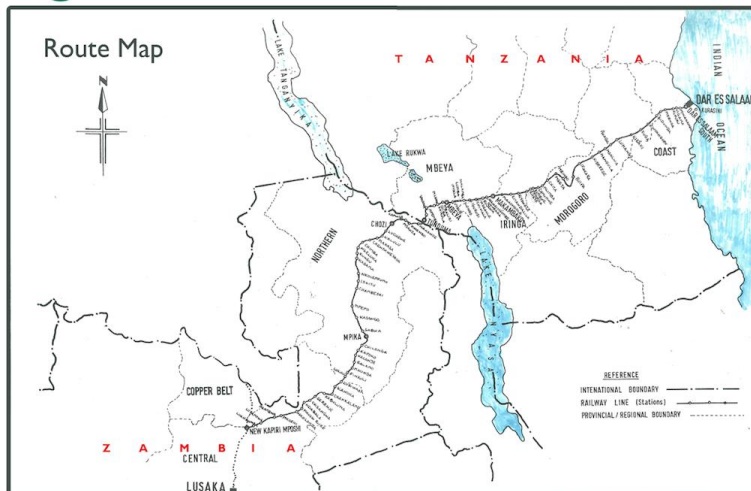


Figure 1: Tanzania-Zambia Railway Authority: Route Map, In: Tanzania-Zambia Railway Authority website.

On July 12, 1975, President Julius Nyerere of Tanzania, accompanied by Fang Yi, the Minister of the Commission of Foreign Aid, witnessed the opening of the TAZARA railroad, signaling the formal completion and operation of the single largest overseas investment in Chinese history. The railroad measured 1160 miles and cost \$570M, more than all other Chinese-sponsored overseas projects combined prior to 1975. One must wonder why the Chinese decided to offer such a big loan to build a railway in Africa. Scholars tend to view China's foreign policy towards the Third World from a less complex viewpoint. Harold C Hinton, a leading scholar on the People's Republic of China's foreign policy, argues that, "Practically speaking, the overriding Chinese objective with respect to the Third World has been since 1949 to combat and minimize the influence of the United States, and since about 1960 that of the Soviet Union as well."<sup>1</sup> While this kind of viewpoint still holds somewhat true since that it illustrates the general

<sup>1</sup> Harold C. Hinton, *China's Turbulent Quest: An Analysis of China's Foreign Relations since 1949*. (Bloomington: Indiana University Press, 1970), p. 22.

direction of the policy, it remains implausible as reason why the PRC provided the \$570M loan, of which more than 70% was interest-free, to Tanzania and Zambia.

This research paper, which has been based on a number of academic books and primary sources, such as *People's Daily* and *Africa's Yearbook*, will try to explore the complex nature of the Tanzania and Zambia Railway (TAZARA), the most expensive and arguably the most complicated financial aid project funded and constructed by the Chinese, in order to challenge the simplified viewpoint of the PRC's foreign policy towards Africa in 1955-1970. The reasons the Chinese funded and built the railway in Tanzania and Zambia were shaped by the ideology of Chinese communism and the reality of Tanzania and Zambia. The paper includes three parts. In the first part, the motivation of the Chinese will be explored. The Chinese were interested in helping Africa for three reasons: to support revolutionary struggles, to compete with the USSR and US, and to secure its recognition and international support. In the second part, the focus will shift from the donor to the recipients, Tanzania and Zambia; that is, why the two countries needed the railroad in terms of their political and economic circumstances, and how their needs influenced the PRC's foreign policy. By reading through to the end of the second part, one will understand the interactive and deeply mutually influenced nature of its foreign policy instead of being dominated by the PRC. In the final part, the TAZARA's long-term influence and current operation will be brought in to shed some lights on the long-term effect of China's aid activities in local and international scope.

#### Part I. China's Motivations to Build a Railway in Tanzania and Zambia.

Though the earliest interaction between a Chinese state and Africa might be dated to the early fifteenth century, when Zheng He sailed across the Indian Ocean with his 400-foot flagship, the modern and formal interactions between the PRC and African Countries were, if anything,

trivial before the Bandung Conference in Bandung, Indonesia in 1955.<sup>2</sup> Prior to the Bandung Conference, some small groups of African officials visited the PRC and vice versa<sup>3</sup>. But little high-level diplomatic interaction happened between the PRC and most African countries.<sup>4</sup> The reasons lay in two facts: first, especially due to the Korean Wars and the French presence in Indo-china, the PRC's foreign policy had focused on Asia, consolidating its sovereignty<sup>5</sup>. Second, in the pre-Bandung Conference period, the vast majority of African countries were still under colonial rule. Among the six independent countries, Liberia, Ethiopia, and Libya had focused on building ties to the United States while South Africa bonded itself with Britain.<sup>6</sup> Egypt had the potential of building a feasible relation with China. But probably because of lack of history, it remained at best superficial.<sup>7</sup> The two factors explained why the PRC had little interest and activity in Africa prior to 1955.

The Bandung Conference symbolized the PRC's recognition that China and Africa shared an important common interest in "wiping out of colonialism", and, equally important, "there was no basic conflicts of interest among them."<sup>8</sup> For the PRC's leadership, in many African countries, the potential of launching communist revolutions was promising and the possibility of revolution

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<sup>2</sup> According to George McTurnan Kahin's *The Asian-African Conference: Bandung, Indonesia, April 1955*, twenty-nine Asian and African countries attended, including: Afghanistan, Burma, Cambodia, Ceylon, Communist China, India, Indonesia, Iran, Iraq, Japan, Jordan, Laos, Lebanon, Nepal, Pakistan, the Philippines, Saudi Arabia, Syria, Thailand, Turkey, North Vietnam, South Vietnam, Yemen, Egypt, Ethiopia, the Gold Coast, Liberia, Libya, and the Sudan. The book itself presents a thorough summary of motivation of conference, its sessions, details of its agreement, and its outcomes. In addition to the monologue, it also includes the speeches by Soekarno, president of Indonesia, Zhou Enlai, Nehru, and the Final Communiqué.

<sup>3</sup> Harold C. Hinton, *China's Turbulent Quest*, p. 62.

<sup>4</sup> *Ibid.*, p. 63.

<sup>5</sup> *Ibid.*, p. 142.

<sup>6</sup> David H. Shinn and Joshua Eisenman, *China and Africa: A Century of Engagement*. (Philadelphia: University of Pennsylvania Press, 2012), p. 39.

<sup>7</sup> *Ibid.*, p. 141.

<sup>8</sup> *Ibid.*, p. 58.

suited Chinese's foreign policy of anti-imperialism. Thus, during the conference, the PRC's foreign policy "Five Principles Of Peaceful Coexistence", (mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affair, equality and mutual benefit and peaceful coexistence) developed into the "Ten Principles of Bandung", and the agreement among the participants illustrated the importance of common interest that paved the way for development of China's Africa policy.

The interactions accelerated in the early 1960s, as the independence movements swooped across the continent. The changes of the political institutions on the African continent were phenomenal in 1960s. From 1960 to 1965, the number of countries that gained their independence rose from 6 to 29.<sup>9</sup> A number of the countries suffered from severe economic and political circumstances. Financial aid was necessary for their further development.

The PRC's leadership must have understood the difficulties and hardship of the African countries, as they had experienced these hardships themselves, and, most importantly, the PRC's leadership would consider this as an unavoidable opportunity to enlarge communist movements around the globe. One underlying principle of the PRC's policy was to unite the "third world" to fight against the western countries. This principle was explicitly stated by Lin Biao, Minister of Defense of the PRC, in September 3, 1965,

Around the globe, if North America and Western Europe can be called 'the cities of the world,' then Asia, Africa and Latin America constitute 'the rural areas of the

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<sup>9</sup> List of African countries that recognized the PRC before 1970: Morocco (Nov. 1, 1958), Algeria (Dec. 20, 1958), Sudan (Feb. 4, 1959), Guinea (Oct. 4, 1959), Ghana (July 5, 1960), Mali (Oct. 25, 1960), Somali (Dec. 14, 1960), Congo (Feb. 20, 1961), Uganda (Oct. 18, 1963), Kenya (Dec. 14, 1963), Burundi (Dec. 21 1963), Tunisia (Jan. 10, 1964), Tanzania (April 26, 1964), Central African Republic (Sept. 29, 1964), Zambia (Oct. 29, 1964), Benin (Nov. 12, 1964), Mauritania (July 19, 1965), South Yemen (Jan. 31, 1968).

world. ...The socialist countries should regard it as their international duty to support the people's revolutionary struggles in Asia, Africa and Latin America.<sup>10</sup>

On December 12, 1963, seeking opportunities to aggrandize its influence in Africa, the Chinese Prime Minister Zhou Enlai and Vice Minister of Defense Chen Yi led an aid team to 14 Asian and African countries, providing loans to those countries that totaled \$190M.<sup>11</sup> As a result, by the end of 1965, despite the fact that some relations were no more than nominal ones, another 16 African countries established relations with PRC.

Starting in 1966, as the Cultural Revolution began, China experienced a kind of political retreat in Africa. The African leaderships, especially President Kenneth Kaunda of Zambia, saw the severe consequences of the Cultural Revolution for China's domestic affairs.<sup>12</sup> In an editorial of the *People's Daily* on March 7, 1966, *Winding and Advancing*, the Chinese leadership, to some extent, admitted the PRC's reversals in Africa and its intention to reassess its policies. In this article, the author wrote that:

While it is better to have no setback than some, setbacks can turn to good things...the conflict between the Asians, Africans, and Latin American people and the American Imperialism is of the most intense. The setbacks occurred in these region are the largest in number. However, because of various setbacks, these people gain experience and training, which improves their understanding, making the revolutionary movement further develop.<sup>13</sup>

The reassessment indicated the PRC leadership's willingness to reengage into Africa and utilized more ambitious plan, as later proved by the TAZARA.

There are two important observations of Chinese foreign policy towards African countries prior to 1970. First, the PRC had been increasingly interested in gaining more international

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<sup>10</sup> *People's Daily*, Vol. 5, September 3, 1965.

<sup>11</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 52.

<sup>12</sup> George T. Yu, *China and Tanzania: A Study in Cooperative Interaction*. (Berkeley: University of California, 1970), p. 37.

<sup>13</sup> "Winding and Advancing" (曲折与前进), *People's Daily*, Vol. 6, March 7, 1966.

support from countries in the Third World in order to secure its political interests in international stage, particularly the admission to the United Nation's security council and the question of Taiwan. For example, Guinea, as the first sub-Saharan recipient of Chinese aid, received aid for its agriculture sector after expressing the willingness to recognize Beijing rather than Taipei.<sup>14</sup> In fact, numbers of African countries wavered between the PRC and the Republic of China (Taiwan) in order to gain more financial advantage. A large number of African countries started to take the PRC's side. As a result, in the General Assembly of the United Nation in 1971, the PRC won 76-35 with 17 abstentions and formally gained admission to the UN's Security Council, replacing the ROC.<sup>15</sup> In this sense, the PRC's policy in the 1960s was effective in terms of gaining political supports from the African recipients.

Second, in addition to supporting Asian, African and Latin American countries in order to gain political support, starting in the mid-1960s, the PRC's policy had diverted from earlier foreign policy, i.e. from solely targeting the capitalist countries to counter both the "revisionist Soviet Union" and the "capitalist U.S." Khrushchev's serious criticism of Stalin's leadership and his reform that would liberate minds of thousands of Russians seemed to be a dangerous potential threat for Chinese Communist Party—Mao in particular, due to the fact Mao's status in China was quite similar to that of Stalin. In November 30, 1966, Prime Minister Zhou Enlai "warned" the "American imperialists" and "Soviet revisionists" that their "conspiracy would never succeed".<sup>16</sup> On September 3, 1968, some time after the Prague Spring, where the Red Army suppressed Czechoslovakia's reform, during a banquet in Vietnam, Zhou again stated the

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<sup>14</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 144.

<sup>15</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 40.

<sup>16</sup> "Prime Minister Zhou Enlai Warns American Imperialists and Soviet Revisionists: Your Anti-revolutionary Conspiracy Will Never Succeed!" (周恩来总理严正警告美帝和苏修: 你们的反革命阴谋永远不会得逞), *People's Daily*, Nov. 30, 1966.

PRC's foreign policy towards the third world at the time that the PRC would support the socialist and Communist struggles against the U.S. and U.S.S.R:

To provide uncompromising supports to the people of Czechoslovakia, of East Europe, of Soviet Union, of Africa, of Arabia, and of all revolutionists around the globe, Chinese people are determined to overthrow the anti-revolutionary American imperialists, Soviet revisionists, and their devil allies!<sup>17</sup>

It is clear that the underlying principle of PRC's foreign policy had targeted on supporting socialist and Communist movements the third world. Thus, given the limitation on the PRC's economic and military capacity, the question facing the PRC's leaderships would be for which country or countries they should provide aids.

China chose Tanzania as its bridgehead in Africa because two countries shared a similar objective in supporting revolution. "Tanzania's foreign policy continues to be guided by its commitment to the national liberation struggle in Southern Africa," says the author of the Africa Year Book.<sup>18</sup> In fact, under the leadership of Nyerere, Dar es Salaam became the headquarters of numbers of revolutionary movements, including the Organization of African Unity, the Mozambique Liberation Front, the African National Congress of South Africa, the South West African People's Organization, and Zimbabwe African National Union. In April 13 1968, Tanzania's recognition of the "State of Biafra", which was an independent movement against Nigeria, provoked the Nigeria government and exacerbated the relation between the two. Its relation with Malawi, its southern neighbor, kept declining, because of Tanzania's support to the exiled ministers of Malawi and the frontier disputes. Its relations with these countries were intense, not to say the newly independent, very antagonist Southern Rhodesia. In this way, the

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<sup>17</sup> *People's Daily*, Vol. 5, September 3, 1968.

<sup>18</sup> Colin Legum and John Drysdale, *Contemporary African Record: Annual Survey and Documents 1965-1966*, (Exeter, England: William Chudley & Ltd., 1966), p. 121.



PRC's leadership probably looked to Nyerere with great sympathy and supported him. In fact, China and Tanzania signed a treaty of Friendship in 1965 during Nyerere's first visit to China. Therefore, providing support to Tanzania that symbolized China's unshaken support to the revolutionist comrades became essential to China.<sup>19</sup> In fact, from 1961-1971, the PRC provided 41M dollars in military aid, of that 82% of them went to Tanzania. By 1965, Tanzania had become the center of China's Africa policy. Thus, when the West refused to provide the loans to the railway-building project, the Chinese found the opportunity to strengthen its ties with Tanzania and enlarge its influence in Africa.

## Part II. Tanzania and Zambia's Considerations on the Railroad Construction.

Chinese sponsored railway project for two reasons. First, Tanzania and Zambia had serious need of a railway that would offer them an alternative transportation route to convey the necessity goods, especially minerals and agriculture goods, because of their dependence upon white-minority-owned railways endangered their political independence. Second, while the Chinese proposed the offer as early as 1963, not until Tanzania and Zambia had rejections from most western entities did they start to consider the PRC's offer seriously. The details will be presented in following paragraphs.

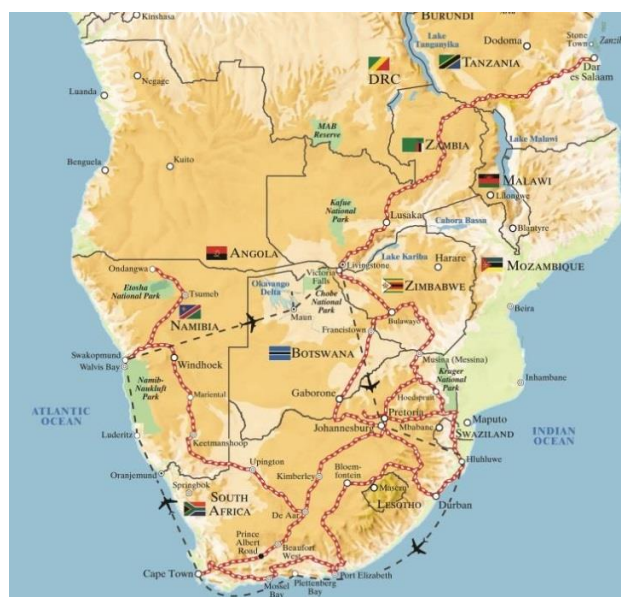


Figure 2: Pride of Africa, Rovos: Route Map, In: LuxuryTrainClub website.

<sup>19</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 69.

After the union of Zanzibar and Tanganyika in 1964, Tanzania was threatened by its white-minority dominated neighbor and Southern Rhodesia in particular.<sup>20</sup> The leadership of Tanzania was well aware of the problems. President Nyerere repeatedly referred to the “Portuguese colonialist” violation of Tanzanian territory, and to Tanzania’s own economic and military weaknesses.<sup>21</sup> Second, President Nyerere was an enthusiast of socialism and he had built close ties with the PRC even prior to the founding of the Republic of Tanzania.<sup>22</sup> He was deeply impressed by the achievements China had achieved in industry and agriculture since 1949 during his first to China.<sup>23</sup> After coming back, he created “the policy of collectivization” in the country’s agricultural system, which was based on China’s model. Third, Nyerere also endeavored to support liberation movement in southern and east Africa.<sup>24</sup> For this reason, Tanzania became a major source for African revolutionists. By 1968, what followed, as mentioned in Part I, was that most neighboring countries had declining relation with Tanzania. Therefore, for this new-born regime, a self-dominated capable transportation route was not only an issue of development but survival.

In the case of Zambia, it faced no less tangible threats from its white-minority ruled neighbors, especially South Rhodesia. Though Southern Rhodesia had played a supporting role as an ally as of the British’s colony, as Burdette, a scholar of the Southern Africa, notes in her book, “only a year after Zambia’s independence, its security was seriously threatened by

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<sup>20</sup> Marcia M. Burdette, *Zambia: Between Two Worlds*, (London: Avebury, Boulder, Colorado: Westview, 1988), p. 112.

<sup>21</sup> George T. Yu, *China and Tanzania*, p. 25.

<sup>22</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 58.

<sup>23</sup> George T. Yu, *China and Tanzania*, p. 19.

<sup>24</sup> Colin Legum and John Drysdale, *Contemporary African Record: Annual Survey and Documents 1966-1967*, (Exeter, England: William Chudley & Ltd., 1967), p. 22.

Southern Rhodesia, where the people rebelled against the British rule.”<sup>25</sup> The economic and political stability of Zambia had been heavily reliant on the transportation and facilities co-owned or solely controlled by Rhodesia. Statistically, the colonial Southern Rhodesian government controlled over 60 percent of the electricity used in Zambia and 90 percent of the Copperbelt’s need.<sup>26</sup> And before the operation of the TAZARA, the possible routes of transportation for Zambia were two roads and one railway. The two roads, The Great North Road and The Great East Road, were at best fragile, because of their impassibility during the rainy season and the expensive fee for transporting of bulk freight via truck (rather than via train)<sup>27</sup>. The Benguela Railroad was a possible alternative, given its capacity to convey raw material and agriculture goods that are large in size and quantity.<sup>28</sup> But its ownership by Portuguese-Angola engendered serious uncertainty for the leadership of Zambia, which was proved later, as the railway was heavily damaged in 1975 when the Angolan people strove for the independency. Therefore, it is necessary for Zambia to build up a different railway to alleviate its potential economic crisis.

The idea of building a railway in East Africa had been conceived since Cecil Rhodes.<sup>29</sup> The possibility was reassessed by the British and German colonialists in the early twentieth century.<sup>30</sup> While all the earlier efforts on planning the Tan-Zam Railway had been either replaced by other plans, such as southern Africa railway lane, or cancelled, the two post-independent countries,

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<sup>25</sup> Marcia M. Burdette, *Zambia*, p. 109.

<sup>26</sup> *Ibid.*, p. 107.

<sup>27</sup> *Ibid.*, p. 107.

<sup>28</sup> *Ibid.*, p. 108.

<sup>29</sup> Jamie Monson, *Africa’s Freedom Railway: How a Chinese Development Project Changed Lives and Livelihoods in Tanzania*, (Bloomington: Indianan University Press, 2009), p. 11.

<sup>30</sup> *Ibid.*, p. 11.

Tanzania and Zambia, committed to build this bloodstream against the unfriendly neighbors in order to consolidate their independency.

In the post-independence period, many western companies and the World Bank conducted research and cost-benefit analyses but all had negative results. Before the Chinese, upon the requests from the leadership of Tanzania and Zambia, the World Bank started surveying in 1961.<sup>31</sup> The railway was seen as economically unfeasible. Some critics centered on the integrity of the World Bank, since it had its own interests heavily relying on other areas in this region.<sup>32</sup> Maxwell Stamp LLC, the company that conducted another survey in the following year, attained a similar result, although it used a different approach from the World Bank and had different estimates.<sup>33</sup> The U.S.S.R. rejected the project without thorough research. For the US, while its survey came to the same conclusion that the roadway would not be economically feasible, based on its researches, US built the Tanzam-Road, which cost a much lower budget and did improve the transportation by replacing the primary roads between Dar es Salaam and the Cobberbelt in Zambia.<sup>34</sup> It was relatively low in capacity but a reliable alternative. The refusals seemed plausible for the western leaderships. Indeed, it was not economically feasible, which could be the primary concern for many western companies and governmental organizations. As the U.S. survey observed, the current demands and that would occur in the predictable development were far below the railroad's capacity and it would not justify this major investment.<sup>35</sup> However, the Tanzanian and Zambian's consideration that the railroad must

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<sup>31</sup> Ngila Mwase, *The TAZARA: The Chinese Loan and The Pre-Investment Analysis Revisited*, (Dar es Salaam: University of Dar es Salaam, 1982), p. 6.

<sup>32</sup> Ibid., p. 7.

<sup>33</sup> Culter Walter L., *The TAZARA Railroad Project: Progress and Prospects*, (Senior Seminar In Foreign Policy, Department of State, U.S., 1973-1974), p. 5.

<sup>34</sup> Jamie Monson, *Africa's Freedom Railway*, p. 28.

<sup>35</sup> Culter Walter L., *The TAZARA Railroad Project*, p. 8.

be built was largely based on the political perspective. On top of that, the railway from Zambia to Dar es Salaam would undoubtedly strengthen the economies of both Zambia and Tanzania, which would in turn result in more revolutionary movement, probably communist movements.<sup>36</sup> Thus, the possibility to construct the railway based on the western funds seemed to be impractical for the Tanzanians and the Zambians.

The Chinese entered the race of sponsoring railroad projects at an early point. According to some reports, the Chinese expressed interest in providing a loan to fund the railway as early as 1963.<sup>37</sup> However, given the experience and technological advancement of the Western Country and the Soviets, Nyerere and Kaunda responded, of course, mildly towards the Chinese goodwill at first. As the attempts to ask the western countries for help turned out in vain, the two countries' leaderships had to take another look at the less-advanced, the Chinese proposal. Invited by Chairman Mao and Prime Minister Zhou Enlai, President Nyerere visited China in 1965. Traveling to Beijing, Shanghai, and Dazhai (a county where an agriculture reform had hugely succeeded). He was certainly impressed by the PRC's achievements in industry and agriculture. The rapid modernization in Beijing and Shanghai and the constantly increasing agricultural production in Dazhai in recent years were extremely appealing for the leadership of Tanzania.<sup>38</sup> On top of that, the Chinese proposed to send a team to conduct a preliminary survey, consisting of 12 engineers and technicians to explore the possibility and estimate of the railway construction. For this group, the estimated living fee was roughly 1500 dollars per year. In comparison, one Swiss technician required the Tanzanian government to pay more than 20000

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<sup>36</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 63.

<sup>37</sup> Kasuka S. Mutukwa, *Politics of the Tanzania-Zambia Railway Project: a study of Tanzania-China-Zambia relations*, (Washington: University Press of America, 1979), p. 30.

<sup>38</sup> George T. Yu, *China and Tanzania*, p. 24.

dollars for the same period.<sup>39</sup> In another Swiss-sponsored project in Tanzania, a team of Swiss technicians were taken to the field by helicopter and they would work from 9 in the morning to 5 in the afternoon (Dragon's will, 132).<sup>40</sup> Certainly, the respect from the Chinese and their modest and hard-working characters played significant role. At a banquet during his second visit to China, President Nyerere recalled his first visit, "On my first visit I said in Shanghai, after I had witnessed the revolutionary spirit of your people, that I wished all the people of Tanzania could come to China and witness for themselves what a determined people can do."<sup>41</sup>

Shared interests and sympathy towards each other did not suffice for a smooth negotiation. The problem of lack of international currency rose as the initial estimation ended.<sup>42</sup> While the PRC agreed to provide the necessities, it was unaffordable for it to purchase locomotives, construction material, and construction vehicles. Therefore, a brilliant idea was conceived. The agreement of goods credit was conceived by the Chinese officials in favor of the Chinese, since the Tanzanian and Zambian governments were obliged to import large amount of Chinese manufactures. According to the agreement, 75% of the 560M dollars would be ensured by the sales of Chinese goods in Tanzania and Zambia; that is, Tanzania and Zambia would import Chinese goods and the local population would purchase them, and the payment would be used to secure the necessary spending of the Railroad construction, such as personal expenses of the engineers and workers, coal, and transportation fees. On top of that, both sided agreed to used mainly Chinese machines, locomotives, trucks, and steels. Importation of goods and machines

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<sup>39</sup> Tanzania-Zambia Railroad Authority, *Ten Years of TAZARA Operations: Review and Perspective*, (Dar es Salaam: Head Office, 1986), p. 21.

<sup>40</sup> Deborah Brautigam, *The Dragon's Gift: The Real Story of China in Africa*, (Oxford: Oxford University Press, 2009), p. 143.

<sup>41</sup> "President Nyerere's Speech at Farewell Banquet." (尼雷尔总统在告别晚宴的讲话) *People's Daily*, June 22, 1968.

<sup>42</sup> Kasuka S. Mutukwa, *Politics of the Tanzania-Zambia Railway Project*, p. 31.

produced by China put the local manufactures in jeopardy, especially people who made a living by producing textile and towels.<sup>43</sup> For the consequence of the agreement, on one hand, Yu, in favor of the Chinese, argues that it offset the Chinese foreign exchange scarcities; on the other, Mwase, Tanzanian scholar who vigorously examined the Chinese loan, stressed its severe consequence on the regional economy.<sup>44</sup>

The agreement of goods credit increasingly became a disaster for Tanzania and Zambia's manufacture and the East Africa in general. The economic system in Tanzania and Zambia were less developed in industry sectors; thus, both countries heavily relied on the manufactures of entry-level production, such as textiles, living merchandises, and bicycles. For Tanzania, even in 1979, 40% of its GDP was still in the agriculture sector.<sup>45</sup> Its imports from China rose from 0.9% in 1966 of its total imports to 22.4% in 1970, and vast majority of the goods were primary productions mentioned above.<sup>46</sup> In response to the overwhelming invasion of Chinese goods, the Tanzanian and Zambia government proposed set up a special quota on each kind of goods that were imported.<sup>47</sup> The PRC's interests would be damaged since the exports in the period not only alleviated the problem of domestic overproduction but also became incentives for producing more goods. The PRC's leadership nevertheless accepted the proposals since they were well aware the fact that keeping exporting goods in the quantity would destroy two countries' economy. This case vividly recaptures the nature of the PRC's foreign policy that there were a lot interactions and compromises among the partners. Many times, like the revision of the

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<sup>43</sup> Ngila Mwase, *The TAZARA*, p. 18.

<sup>44</sup> Ngila Mwase, *The TAZARA*, p. 16.

<sup>45</sup> Tanzania-Zambia Railroad Authority, *Ten Years of TAZARA Operations*, p. 12.

<sup>46</sup> Ngila Mwase, *The TAZARA*, p. 15.

<sup>47</sup> *Ibid.*, pp. 18.

agreement of goods credit, the PRC had to give up part of their interests to ensure the construction of the projects.

### Part III. The TAZARA Operation and Its Impact On Contemporary Chinese-African Relations.

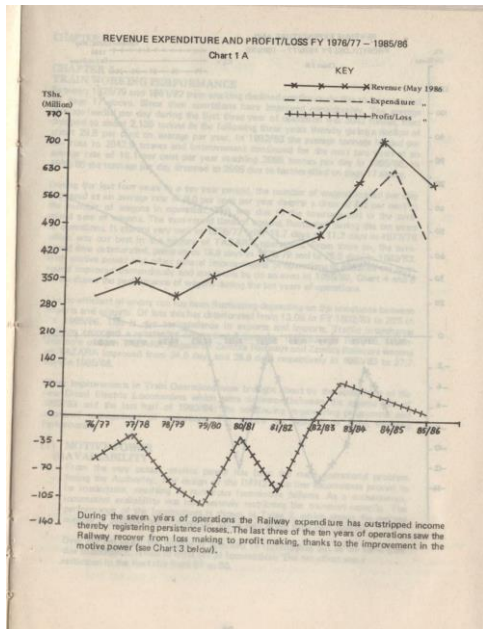


Figure 3: Tanzania and Zambia Railway Authority: Revenue Expenditure and Profit/Loss FY 1976/1977 – 1985/1986, In Ten Years of TAZARA Operations: Review and Perspective (1986).

TAZARA has experienced controversy and financial problems from the outset. The railroad was handed back to the Tanzanian and Zambian governments after its completion, and only a small group of Chinese engineers remained on site.<sup>48</sup> In the first ten years of its operation, the net worth of the railway, as indicated in the chart to the left, remained mostly negative. According the official summary of the railway operation, which was published by the TAZARA

head office in Dar es Salaam, the lack of proper management played a major role in the crisis. In Chapter 6 of the booklet, under the title of *Manpower Position*, the authority described

that the TAZARA experienced lack of manpower after the handover by the Chinese.<sup>49</sup> As a result, the Chinese agreed to provide a special management team called the Chinese Railway Expert Team (CRET) to assist TAZARA for a period of five years.<sup>50</sup> Meanwhile, the authority would begin to recruit and train its own staffs. However, the formidable obstacle facing the authority was the capacity of the candidates. Vast majority of the trainees were former construction

<sup>48</sup> Deborah Brautigam, *The Dragon's Gift*, p. 58.

<sup>49</sup> Ngila Mwase, *The TAZARA*, p. 21.

<sup>50</sup> *Ibid.*, p. 21.



workers, who lacked basic training in management as well as primary education.<sup>51</sup> Thus it was hard to provide a uniform training program for them.<sup>52</sup> It would not be difficult for one to imagine the difficulties of operating such a giant system by the staff who lacked necessary training.

Second, the failure of maintenance of the system also played a part. On one hand, as the Authority's booklet points out, the qualities of Chinese locomotives were relatively low, which means more frequent repair than western-produced machines. Due to lack of repair, the availability of the locomotive dropped from 60% in 1976 to only 20% in 1980. The total goods traffic carried by TAZARA dropped from 1,135,000 tons in 1976 to 752,000 tons in 1980. Only after Chinese reinvestment and financial aids from the US, UK, and Canada, the operation began to improve to 1,096,000 tons in 1985. Besides the poor management, other reasons also contribute to the condition. First, the Zambian economy had an overall average GDP negative growth rate of 2.2 percent from 1975 to 1979 because of the steep drop of the price of copper in the global market. The Tanzanian economy dropped to a similar extent. Second, some natural disasters destroyed two bridges in 1979 and land-slide problems caused a line closure for 30 days in April and May in 1979. Tanzanians and Zambians applied for further investment from the Chinese.<sup>53</sup>

In response, two hundred and fifty Chinese were soon stationed across the different bureaus of the railway, in most of the top management positions.<sup>54</sup> In 1994, the commercialization of the railway began as international donors of the Tanzanian and Zambian

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<sup>51</sup> Ibid., p. 22.

<sup>52</sup> Ibid., p. 24.

<sup>53</sup> Ngila Mwase, *The TAZARA*, p. 19.

<sup>54</sup> Deborah Brautigam, *The Dragon's Gift*, p. 29.

economies pushed for economic reform. In fact, some Tanzanians worried about the Chinese reaction due to the fact that, in 1990s, the socialist PRC might be strongly against capitalist method, namely, privation and commercialization. However, Zhu Rongji, the then PRC Prime Minister, reaffirmed the move, complementing its “boldness”.<sup>55</sup> In an effort to cut costs, railway management closed nineteen less-used stations. Despite the slight increase in its capacity and revenues, the future of TAZARA remains uncertain or even bleak. By 2009, the deputy managing director admitted TAZARA’s serious crisis: debts of \$700M, mostly to China, and only 300 functioning coaches of the 2000 required. In the last ten to fifteen years, it has suffered from poor management, unreliable timetables, inadequate maintenance, and legal suits from suppliers, contractors, and former workers. <sup>56</sup>By the end of 2009, China agreed to discount the original loan and inject another \$50M so TAZARA could purchase six new locomotives and repair 1200 coaches.<sup>57</sup>



Figure 4: Dar es Salaam Station, by Tim Roberts

Meanwhile, after the Cultural Revolution ended in 1976, the PRC’s Africa policy had transformed to more pragmatic than ideological as its foreign policy changed as a whole. For example, facing the massive threats from the Soviet Union to its North, the Chinese cooperated with the US to support the

opposition Uniao Nacional para a Independencia Total de Angola (UNITA) and Frente de Libertacao de Angola (FNLA) rebels against the Soviet and Cubans, and this action succeeded in

<sup>55</sup> Ibid., p. 123.

<sup>56</sup> Jamie Monson, *Africa’s Freedom Railway*, p.65.

<sup>57</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 160.

attracting Soviet resources away from the China-Russia border.<sup>58</sup> In Shinn and Eisenman's *China and Africa*, they argue that, "The CPC move from ideology to pragmatism reflected the organization's gradual transformation from a revolutionary to a ruling party... The gradual removal of ideology from China's foreign policy cleared the way for the CPC to build ties to African ruling parties across the entire political spectrum".<sup>59</sup> The economic reform that followed the end of the Cultural Revolution and Deng Xiaoping's takeover signaled the shift in the African policy.

The period roughly from the late-1970s to the 1990s has been identified as a different phase of the Chinese's aid policy by scholars. A Chinese-built cement factory in Rwanda and textile plants in Burundi and Benin that brought profits and taxes to the recipient governments exemplified that the goal of aid has changed from aiding massive, turn-key projects to the goal of mutually beneficial cooperation via economically efficient projects<sup>60</sup>. Deborah Brautigam identified 1977 to 1989 as the reform phase, noting that China had begun to establish a market economy.<sup>61</sup> In this period, the PRC has diverted from its earlier ideology-oriented plan towards a more pragmatic approach in aiding Africa.

Throughout these policy changes, TAZARA has remained a symbol of African-Chinese friendship (the picture above is the TAZARA station at Dar es salaam) at both official and ordinary level, though projects like it will be very unlikely to be built again in the future. The collective memory that shared by the Chinese workers, African workers, Chinese governments,

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<sup>58</sup> Colin Legum and Jacqueline Dyck, *Contemporary African Record: Annual Survey and Documents 1965-1966*, (New York: Africana Publishing Company, 1977), p. 286.

<sup>59</sup> David H. Shinn and Joshua Eisenman, *China and Africa*, p. 66.

<sup>60</sup> *Ibid.*, p. 111.

<sup>61</sup> *Ibid.*, p. 146.

Zambian governments, and Tanzanian governments altogether illustrates the significance of the project in both historical and contemporary context of Chinese-African relations.

First, at the ordinary level, the influence of TAZARA have been visible for decades. According to Liu Xiaotong, a journalist of *Dongnanxibei Journal*, Liu Degui, a railroad worker of the Second Chapter of Central Railroad Bureau, recalled his experience working in Tanzania and said that he hoped that someone could sponsor him to visit Africa, “I miss my black brothers and everything there.”<sup>62</sup> Jamie Monson records a number of occasions where Tanzanian and Zambian people praised the convenience and expressed their gratitude towards the Chinese efforts. According to a journalist of the *People’s Daily*, in 2006 and 2007, several groups of journalists of the *People’s Daily* travelled to Zambia in 2007, and they invariably reported that the railway was very “well known” (Jie Zhi, 皆知) even among “women and kids” (Fu Ru, 妇孺), illustrating the popularity among the ordinary people in Zambia.<sup>63</sup> In short, on both sides, many workers of the construction and residents in the areas closely connected their lives with the presence of the railway.

Second, at the official level, TAZARA has served as a comfortable medium between the Chinese government and Tanzanian and Zambian governments. In September, 1984, Salim Ahmed Salim, Prime Minister of Tanzania, stated that TAZARA is the symbol of the friendly cooperation between the Chinese and Tanzanians.<sup>64</sup> In August, 1986, President Kaunda of Zambia expressed his gratitude towards the Chinese people and government for the railroad they

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<sup>62</sup> Liu, Xiaotong, “44 Years Ago, the Chinese Who Built a Railroads in Africa”, (44 年前, 在非洲修铁路的中国人), *DongNanXiBei*, (东南西北), Vol. 9, September, 2014.

<sup>63</sup> “TAZARA Forged Chinese-African Friendship”, (坦赞铁路凝聚中非友谊), *People’s Daily*, Sept. 10, 2007.

<sup>64</sup> “Salim Says: The TAZARA Is the Symbol of the Friendly Cooperation between the Chinese and Tanzanians”, (萨利姆说坦赞铁路是中坦友好合作的象征), *People’s Daily*, September 16, 1984.

helped build that “had contributed and would continue to contribute to the independence movement of the countries in Southern Africa.”<sup>65</sup> In August, 1996, the vice Minister of Transportation of Tanzania stated that TAZARA continued to strengthen the friendship between the Chinese people and Tanzanian people.<sup>66</sup> In 2001, when representatives of the Chinese, Tanzanians, and Zambians celebrated the 25<sup>th</sup> anniversary of the operation, the Chinese ambassador to Zambia said that TAZARA is the hallmark of friendship of the peoples of the three countries.<sup>67</sup> Most surprisingly, in the 2008 Beijing Olympics torch relay, Dar es Salaam was the torch's only stop in Africa. On April 13, the relay began at the grand terminal of the TAZARA Railway, and continued for 3 miles to the Benjamin Mkapa National Stadium in Temeke, which was built with Chinese aid in 2005. During the Chinese president Xi Jinping’s state visit to Zambia in March 24, 2013, he remarked, “The TAZARA is the everlasting landmark of the Chinese-African friendship.”<sup>68</sup> Therefore, it is expected that the leaderships on both sides will continue to remark the railroad as the symbol of the Chinese-African friendship in the future. The multilayer interactions among the Chinese and Tanzanians and Zambians, as demonstrated above, will continue to provide tangible links between two sides in decades to come.

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<sup>65</sup> Sun, Guo, “The Aid and Construction of TAZARA”, (坦赞铁路的援建), *DangShiZongLan*, (党史纵览), March, 2011.

<sup>66</sup> “Tanzanian Official Praises TAZARA”, (坦赞尼亚官员盛赞坦赞铁路), *People’s Daily*, August, 1996.

Here, since the source is the *People’s Daily*, the English name of this minister is unavailable. Her name in Chinese character is: 马乌娃, Mawuwa.

<sup>67</sup> “China, Zambia, and Tanzania Celebrate the 25<sup>th</sup> Anniversary of TAZARA Operation”, (中赞坦庆祝坦赞铁路运营二十五周年), *People’s Daily*, August, 2001.

<sup>68</sup> “Xi Jinping’s Trip to Africa: Tanzania, the Everlasting landmark of the Chinese-African Friendship”, (习近平非洲之行: 坦桑尼亚, 中非友谊永恒的丰碑 2013年03月25日), March 25, 2013, <http://news.cntv.cn/2013/03/25/VIDE1364225279692663.shtml>.

#### Part IV. Conclusion.

The complex picture of the negotiation, construction, and operation of TAZARA Railroad illustrated the compromising nature of the PRC's Africa policy prior to 1970. Many times, Western donors were preferred by African countries, such as Tanzania and Zambia. These companies owned more advanced technologies than their Chinese counterpart did. In the case of the TAZARA, only after Julius Nyerere and Kenneth Kaunda's proposals had been rejected by most Western companies and the Soviet Union, the Chinese plan was examined by the Tanzania and Zambian governments. In this sense, China would very likely lose the opportunity of building the TAZARA, had one of the western companies agreed to build the roadway.

During the construction stage, the compromising nature can be illustrated by the agreement of goods credit. Due to the large amount of finance required and the reality that the PRC owned little foreign currency, the Chinese came up with the agreement of goods credit. Since the disastrous impact of the agreement in domestic economies of Tanzania and Zambia, the Chinese had to accept the Tanzanian and Zambian requests of revising the agreement, setting up quotas on certain goods that were highly in favor of the Chinese, such as textiles and bicycles. Thus, the Chinese had to lose somewhat its interest in order to ensure the continuous construction of the project.

Politically, the Chinese gained considerable political supports from African countries in international affairs. As discussed in Part I, the PRC won political recognitions over the ROC after rigorous effort of supporting the Third World and gained admission to the UN's Security Council. Economically, under the agreement of goods credit, the exports to Zambia and Tanzania mitigate the issue of overproduction of merchandises, such as textiles and bicycles. But it is still open to discussion that whether the railroad fulfills its goal. On one hand, in addition to the

political gains mentioned above, it did pave the way for the Chinese to obtain large amounts of raw materials from Africa since the early 1970s. On the other hand, one can easily counter this point by raising the question if the lives of the ordinary Chinese would have been better had these money been invested domestically. Can the hundred-million-dollar investment from the impoverished China be justified by these political gains and the limited economic achievements? The statistical sources, especially of Chinese official records, remained largely unavailable. Without more rigorous studies by professional scholars and availability of the related archives, a plausible answer is hard to be made.

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