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China's investment in Africa: consequences for tobacco control?

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Sue Lawrence, London School of Hygiene and Tropical Medicine

Recently, China's economic growth recently may have fallen below its expected 6% rate, but it is more of dip than an indication of decline. Its pursuit of new markets is likely to continue undeterred (1) and this may have spillover effects for tobacco control.

China's outward investment 'going-out' policy (also known as the 'go global' strategy) fulfills its quest for raw resources such as oil, gas, metal ores, copper, iron and steel. The policy has naturally led it to Africa, rich in raw resources and hungry for investors. Foreign direct investment in Africa is growing; in 2005 inflows totalled 31 billion USD (2). Trade between China and Africa is growing at an estimated 30% per year, with raw commodities from Africa flowing out, and economic cooperation to build factories and roads flowing in. Eighty-two percent of Chinese investment is from state-owned enterprises, and focuses on investing in countries rich in natural resources and weak institutions (3). Country stability, corruption and presence of other foreign investors are not factors in Chinese decisions about where to invest. From 2004 to 2006, China invested 288 USD million into Sudan, considered one of the world's least democratic countries (3). Based on principles of "non-interference with a country's internal affairs", it is less concerned with countries with unstable economies (2).

What does this investment mean in terms of tobacco control? China has always been a unique policy actor in the tobacco control arena. The Chinese National Tobacco Company (CNTC) is of critical importance to China. It employs over 4 million people as farmers, factory employees or retailers, and produced1.7 trillion cigarettes in 2009 for China's 350 million smokers. In an effort to go global, the CNTC reformed their import-export system in 2007 and created the China National Tobacco International Company (CNTIC) (4). Recently, the CNTIC created a joint venture with the North Carolina to buy top quality Virginia flue-cured tobacco (5). Moreover, in order to comply with international standards for the export market, efforts are being made to lower tar levels (4). China's cigarettes are high in heavy metals (arsenic, lead and cadmium) due to the high metal content in the soil (6).

China's domestic tobacco control policies are porous, an issue which should be a red flag for tobacco control in host countries. The 1992 advertising ban, which bans broadcast and print advertising, was shown to be flimsy and easily circumvented (7). Even an updated version following the ratification of the FCTC was weak: 'prohibition of the introduction of tobacco vending machines' was implemented in two administrative regions of Hong Kong and Macao, but merely prohibited new machines, while allowing existing machines to remain (8). With loopholes that big, point of sale advertising prolific (7) and lack of compliance to work-place smoke-free policies (9), raising the alarm on China's possible curtailing of African host nations policies is justified.

Tobacco growing is already a target. China imports tobacco from Zimbabwe and in turn, helped Zimbabwe process its tobacco into cigarettes in preparation for export (10). Influence of tobacco policies from transnational tobacco companies has been well documented (11–18) however, influence from states, less so. China has signed the Framework Convention for Tobacco Control (FCTC) and could possibly be held accountable for its actions should the enforcement instruments be enacted. China has proved that it can and will evade national legislation on labour laws as it has done in Zambia over mining laws (19) . External actors are a challenge plus, local policies may not have been implemented or enforced due to what are perceived as more pressing priorities. As Collin notes, 'tobacco control's exclusion from the core priorities of leading international health and development donor agencies has been seen as contributing significantly to the difficulties involved in securing adequate funding to support FCTC implementation in resource poor settings" (Collin, page 276, 2012). China's attraction to hosts with unstable, weak infrastructures, which has a tendency to evade legislation to achieve aims, combined with a host country whose policy implementation resources are diverted elsewhere and you have a potent opportunity for exploitation.

China signed the FCTC 2005. The FCTC upholds signatories to suggested tobacco policies to protect citizens from advertising, smoke-free workplaces, bans smoking in restaurants and bars, and urges control of smuggled products (8). Chinese officials have met with political and finance ministers for investment opportunities in South Africa, Angola, Congo, Tanzania, Uganda, Kenya, Nigeria, Mali, Libya Senegal, Liberia, Egypt and Morocco (2). Of those countries, only Morocco and Tanzania have not ratified the FCTC with the former having signed but not ratified. Smoking prevalence rates vary in Sub-Sahara Africa with South Africa, Kenya and Malawi with a quarter of the male population smoking and the latter two countries with long histories of tobacco growing and transnational tobacco investment (11,21) Countries with lower rates such as Nigeria (10%) and Liberia (14%) and Uganda (16%) who are keen to invest with China should do as Zambia President Sata did and set firm limits on investment. President Sata implemented strong labour policies, increased minimum wage and changed taxation in order to protect Zambia's copper wealth (19).

Conflict zones are potentially ripe for exploitation. Evidence indicates rampant smuggling of cigarettes to buy arms in central and eastern Africa and the black market is said to 15% of the total cigarette market (22). Transnational tobacco companies have been accused of knowingly engaging with smuggling (12,22–25) and with China's penchant for instability, may be an opportunity to good to resist.

What should the response be in terms of tobacco control? China's investment into Africa is seen by many as the new development donor, providing welcome infrastructure and technical advice (2,10,19). However, this investment process may have dire consequences for tobacco control if left unchecked. For every ray of sunshine, a shadow is cast and African states with existing tobacco control policies left unimplemented and unenforced may do well to protect their investments.

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