Description

China has been expanding its Belt and Road Initiative around the world, but they are also working on a new version of BRI that utilizes the Digital Space. The initiative was dubbed the Digital Silk Road Initiative. The Digital Silk Road Initiative, or DSRI, is already in motion across the Middle East and North Africa, particularly in North Africa. Big Chinese tech companies like Huawei have been assisting North African countries in digitizing their economies to compete with First World countries. These can also lead to wonderful opportunities for North Africans since DSRI promises regional economic growth.

In this podcast, We are joined by Tin-Hinan El-Kadi, a political economy researcher, currently writing a Ph.D. thesis at the London School of Economics and Political Science (LSE), looking at China's Digital Silk Road in North Africa.

They talked about China's Digital Silk Road Initiative and Huawei's role in setting it into action. They also discussed the impression of the Chinese in North Africa, as China begins to establish a political role in the region. They also discussed Chinese ventures that focus on leveraging the digital domain. Data Centers, AI or Machine Learning, Cloud Computing, and 5G Technologies are all examples. Finally, they discussed the future connection between China and North Africa.

 Key Takeaways
- The Overview of the Digital Silk Road Initiative of China
- The Role of Huawei in the DSRI of China in North Africa
- Huawei perceived by Other Countries as not a Commercial Company
- Deep Chinese Presence in Countries in North Africa
- What the North Africans thought of China and Their Presence in the Region
- Significant Projects of Huawei and Other Chinese Tech Giants in the Region
- Thoughts about the Relationship between China-North Africa

Quotes

I believe there is a disconnect between China's existing economic presence in the area and people's perceptions of China. – Tin Hinane

Huawei was instrumental in the transition from 2G to 3G to 4G and, most likely, to 5G. It also plays a major role in the enterprise sector, interacting with businesses and setting up data centers, cloud computing, and cloud capacity. – Tin Hinane

I believe that governments around the region see the BRI as a wonderful chance to develop infrastructure, attract investment, and generate jobs for the region's millions of unemployed. – Tin Hinane

Featured in this Episode

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Chapters

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Transcript

Jonathan Fulton: Welcome to the China Media podcast. I'm your host, Jonathan Fulton, a senior nonresident fellow at the Atlantic Council and a political scientist outside the university Abu Dhabi, United Arab Emirates. The ambitious Belt and Road Initiative, or BRI, has got the lion's share of stories about the expansion of China's global presence, a series of hard and soft infrastructure projects. BRI is a major push for global status, power, and influence. Let's notice an incredibly influential component of the Bri's, the Digital Silk Road Initiative, or the DSRI, which Beijing announced in 2015. DSRI Beijing is coordinating with partner countries to improve telecommunication networks, artificial intelligence, cloud computing, e-commerce, mobile payment systems, smart cities, and surveillance technology. As countries around the world seek to address development issues through digital means, China is playing a major role in its tech. Giants have made significant inroads. To explain what the DSRI is and how it's being used to further develop relations between China and North African countries. I'm joined by Tin-Hinan El-Kadi. Tin-Hinan is a political economy researcher whose work focuses on China, the Middle East, digital technologies and development, and the knowledge economy. She's doing her doctoral studies at the London School of Economics, is an associate fellow of Chatham House London and is the co-founder of the Institute for Social Science Research in Algeria. She's also the author of a great policy paper recently published by the Carnegie Endowment for International Peace, titled How Huawei's Localization in North Africa Delivered Mixed Results. Tin-Hinan. Welcome to the show. So glad you joined us.

Tin-Hinane El Kadi: Hi, Jonathan. Thanks a lot. Glad to be here.

Jonathan Fulton: Now, of course, we were. You're near the top of the list. We want to get joined here right away. Oh, of course. Thank you. So, as I said in the introduction, I assumed by this point everybody has some knowledge about the Belt and Road Initiative. But the Digital Silk Road Initiative hasn't got the same kind of widespread traction yet. Can you give our listeners a brief overview of the DSRI? What is it and why is it important?

Tin-Hinane El Kadi: Sure. So the Digital Silk Road Initiative or the DSRI is the digital component of China's Belt and Road Initiative. It's mainly driven by Chinese tech giants such as Huawei, and Alibaba by Tencent, among others. The white paper that launched it in 2015 described it as an initiative that aims to promote connectivity across the world. And this comes by installing fiber optic cables, data centers, smart cities, and telecom equipment, including 5G networks across BRIC countries. So in Africa and Asia and Europe and Latin America and elsewhere. But until today, it's unclear what project fits into the Digital Silk Road Initiative. It seems that virtually every project that is related to taking a look at telecommunications or data is labeled as a digital Silk Road project. And in this sense, it's a bit like the BRI where, you know, ended up being a rebranding of Chinese investments abroad. But it is a highly strategic initiative. So arguably so far the digital space has been dominated by the U.S. and the digital Silk Road is China's attempt to capture the digital space. And so it is highly important because whoever wins the digital race wins the future in a way.

Jonathan Fulton: That's helpful in the way you're describing it. You're right. It does sound like, BRI, I remember about four or five years ago talking to a Chinese diplomat in the Gulf and saying, you know, for all the engagement you have with Gulf countries, it doesn't seem to be part of this grand BRI map that was being published so much back then. And he said anything we do, any kind of bilateral engagement is, Bri, it doesn't matter. You know, everything is. I know. So I think it's the same thing. Yeah.

Tin-Hinane El-Kadi: Yeah, absolutely. In the same way. Now, most projects that are in the telecom sector, data centers being built or fiber optic cables being installed, and applications from Chinese-based firms are all labeled. And the Digital Silk Road Initiative. So it's unclear how

to disentangle all of that, but I think it's all part of the BRI and digital Silk Road when it's tech-related.

Jonathan Fulton: Right. And it's great for the companies. Right. Because they could have something that is just I want to get a contract, but if they put the dry label on it, then they're going to get a lot more support from Chinese loaning entities or the government. So, yeah, it does often seem like a brand for some of these larger initiatives. One of the things that we all keep hearing about, especially in the Middle East, is Huawei. And of course, I'm from Canada. And for several years Huawei was a very, very, very big issue in our relations between Canada and China. How does Huawei fit into this? I mean, you wrote about it specifically in your report. Why Huawei?

Tin-Hinane El-Kadi: Well, Huawei is one of the most important Chinese tech firms in general. But also its presence in the region, in the Middle East and North Africa is significant. So within the digital Silk Road, it plays an important role. And we're seeing increasing numbers of contracts from the region and cooperation agreements with Huawei. And this is because Huawei offers quite an interesting deal. So on average, it tends to be 10 to 30% cheaper than its Western competitors. And at the same time, as you mentioned, Huawei comes with funding so often that it has access to loans provided by China Development Bank. So it's either the China Development Bank or the China EXIM Bank. And this has very much facilitated Huawei's access to the African market and the market of many other developing countries. And so we're witnessing an important expansion of Huawei across the region. It has built the backbone infrastructure for most North African countries, actually, and because it played a significant role in building 3G networks and then the shift towards 4G, also, it's very likely that Huawei will be an important player in the shift towards 5G. And so, yeah, recently we're also seeing cooperation emerging in the field of cloud computing and artificial intelligence. Many developing countries are signing cooperation agreements with Huawei to cooperate and develop AI capabilities, for instance, these countries include the United Arab Emirates and Egypt, among others. So Huawei has a very important presence in the region and is one of the most significant actors to analyze when looking at China's Digital Silk Road in North Africa.

Jonathan Fulton: Yeah. And I mentioned hallway, I mean, first because obviously, it's part of your grade paper, but it's also really a hot button issue, especially in the U.S. A lot of countries have significant cooperation, agreements, or even alliances with a lot of countries in the region. And Huawei seems to be at the center of a lot of that. I mean, for all of the protestations from Huawei that it's purely a commercial entity, there have been a lot of questions about that narrative that maybe isn't just a commercial actor. Maybe there are political components to what Huawei is doing as well. And we've seen several countries have put up barriers to all 5G network equipment and others have banned it outright. Why is it that, you know, some countries have a hard time believing that this is, you know, a commercial project or a commercial kind of company only?

Tin-Hinane El-Kadi: Yes, you're absolutely right. But I feel like this debate was more important in high-income countries that have more options and the means to like, you know, get other operators. But in developing countries, the deal offered by firms like Huawei or ZTE, its other Chinese competitor, is hard to turn down. And so what we've witnessed is that there's been an increase in skepticism towards Huawei in recent years and developed countries, especially during the Trump administration. And in the context of a trade war between China and the U.S. and the assumption is that the Chinese state is using its tech firms to spy on other countries and that this network equipment is used by the Communist Party to access strategic data. And the reality is that we don't have any strong empirical evidence showing that Huawei is using its network equipment specifically to spy on others. And so, as you mentioned, many believe many analysts see this as being politically motivated from the side of Western countries and primarily the U.S., a country that is feeling that it's losing in a way to digital rights, especially when it comes to 5G. And so many see this attack on Chinese tech as a motivated attack to help the commercial interests of U.S. tech firms when it comes to spying. I think it's a real risk that nobody should ignore. But then, obviously, there is this important issue of like evidence of China spying actually through the Addis Ababa headquarters of the African Union. And there's an investigation that showed that the data was going through to Shanghai every day between the headquarters of the African Union and China. And this was a very important high-level issue when it comes to just saying that the U.S. or other allies are not any better. So obviously, there is the famous Edward Snowden scandal which showed that U.S. tech firms were spying on behalf of the U.S. government for years and across the world. More recently there was the PEGUES scandal that told us that Israel was using malware to spy on activists, politicians, and

business leaders across the world. So for developing countries, even though the security argument is important, often there is an acknowledgment that as long as you don't develop your own local technological capabilities and the ability to like have your locally developed network infrastructure of foreign providers, whether the Chinese or American, are very much likely to come with important concerns over overseas security and spying. This being said, yeah, the Chinese are offering such an interesting deal, you know, with the funding and all of that, that no Western country has been able, despite some attempts to provide an alternative deal that would help developing countries catch up in terms of digital infrastructure and help their digital transformations.

Jonathan Fulton: Yeah. So I am quite obvious at this stuff, but one of the things that I keep hearing about is that what Chinese firms do is they come in with the entire stack. You know, it's laying cables. It's providing the. Hardware. It's providing the devices, it's providing the software and the apps. It comes in as a complete kit that allows countries to jump ahead rather than go through this very slow process of building all this stuff and then buying the stuff to fit with it. You know, it just seems real like you say it's kind of too good to pass up for a lot of countries.

Tin-Hinane El-Kadi: Yeah, absolutely. Absolutely. And there is a big need to, you know, be on the technological edge. Developing countries don't want to fall short of accessing some of the cutting-edge technologies. And the Chinese are providing an interesting deal like the technology is cheaper and it's not bad quality anymore, or maybe used to be in the early times. But now firms like Huawei have been able to provide high-quality equipment at a competitive price. So it's hard to turn down these offers when you are in developing nations trying to move forward in your digital transformation.

Jonathan Fulton: Yeah, absolutely. I think that's something that a lot of folks have to keep in mind is that when you're trying to solve development issues and you're trying to, you know, build that capability for your population, then, you know, you're not going to be so concerned about where it's coming from, especially, as you say, there's always going to be vulnerabilities inherent in engaging with foreign tech companies. I was going to bring up Snowden, but you

beat me to it. But we all know-how. You know, you know, social media companies are using tech in a not very, you know, above the board way. And what I've talked to people around the Middle East about this and said, you know, do you have concerns about Chinese tech companies using your data as everybody does? You know, like if Zuckerberg is using it or is always using it, what does it matter to us? Right. So.

Tin-Hinane El-Kadi: Yeah, this is often the issue is like, you know what, when your equipment is foreign. Often the question is about choosing who is going to spy on you, not whether someone is going to spy on you. And yeah, I think like for when we talk about data sovereignty and data security, I think the most pragmatic way is really to be able to do what the Chinese did in a way and to develop indigenous technologies and firms to be able to protect national interests and national data in that sense.

Jonathan Fulton: Okay. Well, I want to step away. I mean, this is interesting to me because like I said, I am a novice and I have to learn more about it. But I want to step away from the tech for just a minute, because your paper folks on North Africa know the countries of North Africa, Egypt, Libya, Tunisia, Algeria, and Morocco. How are China's relations with these countries? This is a recent development or is there a deep Chinese presence that's been there for a long time that people just maybe haven't paid a lot of attention to?

Tin-Hinane El-Kadi: Well, that's a great question. China and North Africa have had long ties that can be traced back to the early days of the People's Republic of China. So during the fifties, the Chinese Communist Party backed a liberation movement across the region. And this means North African countries have a simple, sympathetic fuze towards China. So in Algeria, for instance, they supported the FLN industrialist Renault during the independence war against French colonialism in Egypt and also helped socialist movements in the country. And so Gamal Abdel Nasser in 1956 Egypt was actually the first African leader to recognize the People's Republic of China. And so these are like long-entrenched relations. The Bandung conference, obviously in 1955 was an important bonding moment between China and Africa. It was attended by all major North African countries and leaders of the time. However, during the seventies,

eighties, and up until the nineties, ties, and economic ties were very weak. It was only at the turn of the century, in 2000 when China adopted it's going out strategy and later joined the WTO in 2001, that China's economic presence with North African countries started becoming more significant. So we've seen Chinese investments in a myriad of sectors, including energy, agriculture, manufacturing, but also the telecom sector. You know, this economic relationship is problematic in many ways because it does reproduce many patterns of unequal exchange. So China tends to export finished goods to North African countries, and North African countries tend to export unprocessed, low-value-added goods to China. And this is just a reflection of the nature of North African economies, which lack sophistication and diversification. But with the BRI, there is hope, especially with the digital Silk Road, that there would be a qualitative shift in China's engagement with the region.

Jonathan Fulton: Hmm. Yeah. So just in terms I mean, I think that's a good overview of the historical trajectory and it tells us how the state-to-state relations are. But how about, you know, the people side of things, to people in North Africa, generally perceive China positively? Is there a familiarity? Are a lot of people learning the language? Do they know a lot about the culture and the history?

Tin-Hinane El-Kadi: Well, that's the thing. I think there is a mismatch between China's current economic presence in the region and people's awareness and knowledge about China. So, for instance, China is the first economic trading partner of Algeria. But the level of knowledge by the average Algerian citizen of Chinese culture, language, or history tends to be rather scant. And it's the case across the region. And this is for a myriad of reasons. But I would say that Chinese influence and culture are lagging far behind Western culture among ordinary citizens in North Africa and the Middle East. But there was this survey actually in 2010, I think, by the Arab barometer, and it showed that overall people across the Middle East and North Africa had positive views of China. And it showed that, for instance, in Tunisia, over 60% of Tunisians said that they were willing to have stronger economic ties with China. And ironically, it was the countries that had the strongest ties to China, like Egypt and Algeria, for instance, that had the lowest share of respondents saying that they would be willing to have stronger ties with China. I think that overall, China's positive image in the region is linked to its economic model. And it's

an incredible development story as a country that managed to lift 800 million people out of poverty within like four decades. And so it is a model that citizens across the region admire and look up to. However, I think that China's authoritarianism and its treatment of the legal population especially contribute to hindering China's image among local citizens.

Jonathan Fulton: Sure. I think the development aspect that you mentioned is something that people, especially in the West, just don't appreciate enough when they think, why do people look at China in this positive way? And you think, look, if you're a country that suffered under colonialism and then you've been suffering under the prescriptive, you know, Washington consensus development models that haven't allowed your country to bridge that gap. And then you see a country that 40 years ago was one of the poorest and least developed in the world, and they've managed to turn things around like this. Of course, you're going to say, how did you do that? But, you know, I think everybody looks at it as there's something to learn here and we're willing to listen. Right?

Tin-Hinane El Kadi: Hmm. Absolutely. Absolutely. It is this fascinating development story. And, you know, I think both governments and citizens look at China. I think, you know, when you look at income levels, just for decades ago, many African countries had actually higher GDP per capita than China. And things turned around very fast. There are lessons to learn the question of the same to what extent the Chinese model can be reproduced elsewhere is another question. I don't think many countries don't have the institutional capacity, for instance, to reproduce the Chinese model. But there are some interesting policy lessons to learn there.

Jonathan Fulton: Yeah. So not to get too deep into the nerd weeds here, but Myron Conover wrote a really good chapter about the China model, and that's one of the points he brought up was that a lot of countries would like to be able to do this, but they don't have the governmental capacity. Well, it takes a lot of resources. It takes a very strong bureaucracy. It takes a very strong state to be able to do this. And there are just not that many developing countries that are that way yet. Yeah. All important points, I mean. I remember growing up because I was born in 1975 and we had only visions of China as basically a poor place, you know, growing up. And

when I talked to my students who were all born around 2000, their visions of China growing up were largely positive. Oh, it's rich, it's powerful. It's developed. They've got great tech. And it's also interesting, I think, for people of my generation to realize people of your generation or younger have grown up with very different perceptions.

Tin-Hinane El Kadi: Mhm. Absolutely. Well I grew up in Nanjing in the 1990s and at that time already I started witnessing China's presence and so yeah. And by early 2000, most construction projects in Algeria were conducted by Chinese firms. So it's very common to see Chinese workers around. And clearly, already we could understand that China was the next big thing and I think that is one of the reasons why I ended up learning Chinese at university and living in Beijing for some time.

Jonathan Fulton: Yeah. Okay. Well, I've got to bring this back to the Digital Silk Road at some point. So this is maybe this is the point and we can talk about your paper a little bit here. Looking specifically at North Africa, what kind of projects are Huawei doing throughout the region? I think your project or your paper does a really good job of outlining this. And also, are there any countries that stand out as kind of at the forefront of their engagement with China on these types of things?

Tin-Hinane El-Kadi: Yeah. Well, Huawei has some significant projects across the region, so it played a significant role in the upgrade from 2G, 3G, and 4G. And now as I mentioned, it's very likely that it will play a significant role in the upgrade towards 5G across the region. It's also playing a very important role when we look at its enterprise aspect, dealing with the firms and installing data centers and cloud computing and cloud capacities for firms. So for instance, in Algeria, Huawei recently signed a contract with the state-owned oil company to install its data centers and manage its data. And that's now going to be localized in Algeria. Egypt recently started signing an important cooperation agreement with the Egyptian government to help the country develop its artificial intelligence capability capabilities. And so has all these deals with different universities across the region. It's organizing competitions and providing ICG certificates to engineering students and so on. I think it has, unlike other firms, although

Western competitors, closer ties to governments across the region, and it has done a very good job branding itself as a strategic ally in the digital transformation of North African countries. So for instance, it had launched some important development initiatives across the region, this Huawei device factory that was established in Algiers in 2019. In Egypt, they created an open lab to conduct research and development activities. And it has, as I said, signed partnerships to do research and training with several local research institutes and universities. However, I mean, we need to keep in mind that this is a profit-oriented entity and the hallway is not doing any charitable work across the region. It's a self-interested actor that is trying to maximize its profits. And so there were some issues around. For instance, the factory I just mentioned in Algeria, where the government had concerns about the extent to which there was any value addition there. It seemed that Huawei, like other firms, actually manufacturing in the country, was importing kids that were kind of what we called CMI knockoff kids or complete those kids. And so that was like the last steps of the manufacturing process and there wasn't much value addition. So at some point, the Indian government called this fictitious production and disguised imports and so the factory had to shut down along with other factories. Doing interviews in Egypt recently, the Research and Development Lab does not seem to be doing any significant R&D activities and so often you have these Huawei has localized seemingly developmental activities. Then in practice, there is little technology transfer and little value addition taking place within these countries.

Jonathan Fulton: Oh, see. So that's why I was going to ask because you mentioned earlier about the real need for, you know, indigenous knowledge, capacity building. And you talk about these, you know, all white campuses. And the assumption I had was that they'd be contributing to building this local capacity to help these countries get from being reliant on working with foreign companies and then building their own. But you're not seeing that so much.

Tin-Hinane El-Kadi: So from my fieldwork, I've witnessed that there is training and these I.T. academies are flourishing and training thousands of students across the region. However, the training is not contributing really to transferring technology that would help local economies be more autonomous technologically and upgrade and move towards higher added value activities within. But what we're seeing is that there is training to teach future engineers across the region

how to use, maintain and troubleshoot while equipment. Right. So they're providing training on how to use their equipment. And this creates the risk of developing new forms of dependencies. So, you know, one of the big questions like are we moving from initial dependencies, from mainly U.S. technologies and European technologies towards a new form of dependencies. And this is an important point, I think, that local governments need to be concerned about.

Jonathan Fulton: Sure. How about beyond power? I mean, you mentioned at the beginning there are a lot of these Chinese tech giants that are operating all over the region. Are there any that are to come big noteworthy tech projects in North Africa?

Tin-Hinane El-Kadi: Well, the Digital Silk Road entails a set of projects that are important. One of the most important, I think, in the region is the country like the smart city. So this is supposed to be a smart city built on a very large area. Upon completion, it was set to host over 200 Chinese firms in high value-added sectors such as aeronautics, telecoms, auto, mobile, and so on. And it seems that there are some conflicts between the initial Chinese firms that were supposed to build the smart city and the Moroccan authorities. So the initial firm was type two diabetes, and there were conflicts over the ownership of the smart city. And now the project has been significantly downsized. And there's another firm that took over, another Chinese firm that took over this contract. Talking about the digital Silk Road still in the region. Space is an important aspect of the digital Silk Road. And there is a Baidu satellite fiber that can build the China Satellite Navigation Office, one of the first Baidu, basically one of the first Beidou satellite offices in the region in Tunisia. That was through a partnership with the Arab Information and Communication Technology Organization. And so this is important and one of them I believe is the first with Baidu satellite facilities outside of China. This was set up in Tunisia in terms of surveillance equipment. Firms like Haik Vision are making significant inroads across the region. So their presence in Egypt, the UAE, and Algeria as well is very important. The cell surveillance equipment is like cameras and sensors. In terms of e-commerce, Alibaba is the leader in the region. Many use Alibaba actually in the Middle East to make purchases. Recently, Alibaba has launched this new important initiative called the E, the Electronic Trade Platform. And the aim of the platform is basically to facilitate access to e-commerce for small and medium-sized enterprises. So it's basically to integrate small and medium-sized enterprises in developing

countries within the global market. So this is an important initiative. In terms of apps, you see writing apps such as Didi taking increasingly, increasingly important parts of the writing app markets in places like Egypt. And as I mentioned earlier, there's a lot of state-to-state cooperation and research in artificial intelligence, and big data cloud computing. The UAE recently signed an important deal with Huawei, actually, for cooperation in artificial intelligence.

Jonathan Fulton: Yeah. I was driving so much, especially, you know, in the age of COVID where that's been important in a lot of, you know, things that they've been trying to try to deal with the pandemic. This is all interesting because I see a similar pattern when you talk about a lot of Chinese development projects in the larger BRI, especially here in the Gulf where we are hearing $11 billion committed to, you know, dock them in Oman. And then five years later, you go like, wow, there's just one factor. So far there hasn't been a lot happening yet. Not to say it won't, but so far it's been pretty slow. And I think that's pretty consistent with a lot of Chinese overseas development, in general, is big, splashy, more use followed by slow implementation or maybe no implementation, whether it's disagreements between the host government or whether it's not understanding the local environment. There's been enough time that's passed to give us a sense of the trajectory of the disaster in North Africa. So are you seeing a lot of that or are things, you know, maybe a little more modestly right-sized, or are things still full steam ahead, do you think? You know, there's still the same appetite for cooperation with China on this type of stuff?

Tin-Hinane El-Kadi: Well, I know you computerized this whole plan of like, you know, announcing huge investment projects and then not having to Indianness is very common, not just among the Chinese. I think it's a well-known kind of practice to kind of like come say, hey, we're investing so much, we're coming with this huge project and signing all these agreements and then just facilitate some contracts for Chinese firms or all the firms, depending on the project. And we've seen a lot of that across North Africa as well. In terms of appetite, I think governments across the region do see the Belt and Road Initiative as a golden opportunity to improve infrastructure, get some investment, to create, hopefully, jobs for the millions of unemployed across the region and the DSRI. The Digital Silk Road is especially important because it can, you know, bring the promise of creating jobs in the high tech sector. And North

Africa especially is characterized by millions of university graduates who do not manage to find jobs. Many of them are telecom engineers or computer scientists and so on. And so it is seen as an important initiative. It also helps, you know, countries catch up in terms of digital infrastructure, then the extent to which it's truly helping, you know, a development that is like structural transformation. You know, the move away from low-value-added activities to high-value activities is another debate and is more challenging. And this, I think, would depend on the capacity of local governments to leverage, like the presence of Chinese tech giants, to extract more technology, create more job opportunities, and have them localize truly developmental activities.

Jonathan Fulton: Yeah, absolutely. I mean, for a lot of countries where whatever end of the spectrum they're on in terms of development or wealth, I mean, tech is seen as the silver bullet that can address a lot of the problems. I'm going to namerop one of my friends here to see if you listen to this podcast. But I have a friend from Singapore named Doug and he always talks to me about how when he meets with Emirati officials, one thing they're so fascinated by is that Singapore opened this new terminal in their airport, this massive new terminal. I don't know if you've seen it, but it's kind of like a waterfall and it's got a rainforest and it's ridiculous. People go there, they drive to the airport just to hang out in this terminal. But the interesting thing is they've done this without hiring new staff because they've just used their AI to find ways to manage their workloads more efficiently so that they can open this whole new terminal without having to hire a bunch of new people in a place like the UAE, which is so dependent on foreign labor to think that they could use AI to manage these, you know, human resources issues are very attractive. And, you know, what you're describing, North Africa, where you've got a bunch of highly trained young people that need jobs, and if they can, they can get these jobs through DSRI initiatives. And I think, of course, they're going to jump at this. Yeah, this will be interesting to see if Doug says he's heard this part. I'm going to check with him. But I just want to ask, like, what do you think all this tells us about the bigger picture of China and North Africa? Does this look like a sustainable long-term relationship? It does. Does it portend deeper engagement in other realms or does it seem like, you know, a passing fancy?

Tin-Hinane El Kadi: Hmm. I think it's not a peasant country. You know, as I mentioned earlier, China and North Africa have long-entrenched relations deeply rooted in history. And North African countries, we look at governments, look at China as this like the big brother that made it, you know. And so there is this interest in, you know, cooperating with China, learning from China, because it's a recent development in history. And so it's different from European countries or other high-income countries. The thing is that now we're not sure to what extent China is ready to move forward with many of the promises in terms of investment. We've seen less appetite from Beijing to invest in large-scale infrastructure. And I think, however, that the telecom sector and data-oriented initiatives will remain as key, a key sector of collaboration between North African countries and China. Then, as I said, the extent to which North African countries manage to maximize gains from China's presence in the region will depend on their policies and their capacity to compel foreign capital to engage in a developmental way. And in this sense, there is the big issue of regional integration, because we're having all these small North African countries and African countries in general and negotiating with China today, the second-biggest economy. And I think that this is very much an issue that needs to be tackled. And more integration at the continental level could really help level the playing field between African countries and China and hopefully get trade agreements and investment agreements that profit local economies more.

Jonathan Fulton: This has been great. I could do this for another hour, but I can't, unfortunately. But. But thanks so much. I encourage all of our listeners to go and download your reports, Carnegie. We're going to include a link to it on the show page. It's really good if you're trying to get a handle on the DSR AI or if you just want to learn more about what China's doing in North Africa. I think it's a great paper for this. Do you have anything else that you're working on now that you'd like to share the forthcoming work?

Tin-Hinane El-Kadi: Well, I'm currently working on my thesis that looks at Chinese digital investments across the region. And so, yeah, hopefully in a year or so be able to, to, to publish my thesis. But until then, hopefully, I have some short-term papers coming up.

Jonathan Fulton: Right. Until then, that's the big focus, right, is get this, this big beast out of your life. Well, good luck with that. I can't wait to see it and read it as a published book, someplace or in a bunch of papers. I'm sure it's going to be awesome.

Tin-Hinane El Kadi: Thanks a lot. Jonathan, thanks a lot for having me on. The show is a pleasure.

Jonathan Fulton: Thank you. I'm glad for our listeners. Thank you for joining us. Follow us on social media. Subscribe and rate the show on iTunes, Spotify, Stitcher, or wherever you get your podcasts. And I'll see you next show. Thank you very much.

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