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## **China Denies Talks To Lend Zimbabwe \$2 Billion**

By Staff Reporter

BEIJING — China denied on Tuesday it was in talks to give Zimbabwe a \$2 billion loan, contradicting a report last week in an official Zimbabwean daily newspaper.

Chris Mutsvangwa, Zimbabwe's ambassador to Beijing, was quoted by the Herald newspaper as saying China had appointed a projects officer to open the talks with Harare's finance minister and central bank governor.

It would be the largest foreign loan for President Robert Mugabe's government, which is presiding over its worst economic crisis since independence from Britain in 1980. "After seeing this news, we looked for confirmation with the relevant departments, and the result was that there is absolutely no such thing," Chinese Foreign Ministry spokesman Qin Gang told a regular news conference.

He did not elaborate and calls to the Zimbabwe embassy went unanswered.

Zimbabwe has previously said it was behind with payments for Chinese fighter jets it bought last year. It has also bought small commercial planes, trucks and buses from China.

China is attracted to Zimbabwe's mineral resources such as uranium and platinum as it increasingly looks to Africa for raw materials to fuel its booming economy, a move that has raised fears of exploitation among activists and labour groups.

China, which has historical links with the continent forged in the struggle for independence, has sought to deepen ties with Africa and has offered low interest loans and other aid.

Qin added that Foreign Minister Li Zhaoxing would make his first foreign trip of the new year to Africa, as he traditionally does, with stops in Benin, Equatorial Guinea, Guinea-Bissau, Chad, Central African Republic, Eritrea and Botswana.

Li would leave on December 31 and return on January 8, Qin said.

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