



Open Research Online

The Open University's repository of research publications
and other research outputs

Editorial: China's impacts on Africa's development

Journal Article

How to cite:

Park, Yoon Jung; Lampert, Ben and Robertson, Winslow (2016). Editorial: China's impacts on Africa's development. *African Review of Economics and Finance*, 8(1) pp. 3–11.

For guidance on citations see [FAQs](#).

© 2016 Sabinet

Version: Accepted Manuscript

Link(s) to article on publisher's website:

<http://reference.sabinet.co.za/document/EJC188873>

Copyright and Moral Rights for the articles on this site are retained by the individual authors and/or other copyright owners. For more information on Open Research Online's [data policy](#) on reuse of materials please consult the policies page.

oro.open.ac.uk

Editorial: China's impacts on Africa's development

YOON JUNG PARK*, BEN LAMPERT# AND WINSLOW ROBERTSON†

*Convener, Chinese in Africa/Africans in China Research Network and Adjunct Professor, African Studies, Georgetown University. Email: yoon.caacnetwork@gmail.com

#Lecturer in International Development, Development Policy and Practice Group, The Open University, UK. Email: ben.lampert@open.ac.uk

†Managing Member, Cowries & Rice. Email: winslowalrob@gmail.com

Much has been made of China's economic ascendancy in Africa, most notably its overtaking of the US in 2009 to become the continent's largest trading partner. Beyond trade, the broader contours of Chinese loans, export credits, investment, and aid have changed Africa's economic landscape since 2000 when the first Forum on China-Africa Cooperation (FOCAC) meetings were held. In the extensive discussions – in government meetings, the media, public fora, and academic settings – that have ensued, China has been portrayed in distinctly contrasting terms; on the one hand, as a responsible partner of the global south, creating new markets for African products and supplying affordable goods to African consumers, while on the other as a rapacious superpower plundering the continent's resources and flooding its markets with cheap manufactures that further undermine local production. Consequently, the impacts of China on African economies and Africa's development have become one of the most controversial topics in the wider and rapidly expanding field of Sino-African relations.

This special issue of the *African Review of Economics and Finance* (AREF) is the result of collaboration between *AREF*, the Chinese in Africa/Africans in China (CA/AC) Research Network, and a number of China-Africa scholars. Many of the authors contributing to this special issue participated in the Russian Academy of Sciences, Institute for African Studies 13th International African Studies Conference, themed “Society and Politics in Africa: Traditional, Transitional, and New” and held in Moscow between 27th and 30th May, 2014. The CA/AC Research Network organized several China-Africa panels, including one on Sino-Africa state, media, and societal discourses; another on Africa-China migration and cultural exchanges; and a third on China's impacts on African

economies. Most of the following articles hail from this last panel and all of them focus on comparative and preliminary impacts of Chinese engagements on the African continent.

In exploring this topic, this special issue builds on research and book reviews previously published in AREF (Cissé, 2013; Mutambara 2013; Obeng-Odoom, 2011; Odoom, 2014; Tremann, 2013) and seeks to advance and deepen the wider debates on “China in Africa” in a number of important ways. Firstly, it brings together authors with different disciplinary backgrounds and areas of analytical focus, enabling us to address how Chinese policies and products impact African economies in different ways and at multiple levels. Much work on China-Africa relations has slipped into disciplinary silos with, for example, economists attempting to quantify the broad trade and investment flows, political scientists examining state-level agendas and diplomatic drivers, and anthropologists charting the local-level social and cultural impacts. This is despite the fact that the nature and outcomes of China-Africa relations defy disciplinary boundaries and at a minimum require a multi-disciplinary perspective to understand the economic, political, social and cultural strands that run through these complex, multi-faceted ties. In this special issue we bring together different analytical perspectives from within and beyond economics that address the continental, national, and local levels and examine different forms of connection and impact, including not only the broad flows of finance and goods and their macro-level economic implications but also the institutional, environmental, and social relations through which wider impacts unfold. While most of the authors remain largely within their specific disciplinary traditions, in presenting them together as we do here, as a multi-disciplinary collection, we hope to inspire further conversations across disciplines and serve in some small way as a prompt towards the kind of genuinely inter-disciplinary research that the China-Africa field ultimately requires.

In the process of engaging with the different levels and aspects of China-Africa relations, the articles in this special issue also further the important work of disaggregating ‘China’ and ‘Africa’ and highlighting the wide range of Chinese and African actors involved. While much commentary can give the impression that ‘China’ and ‘Africa’ each represent monolithic actors with clearly defined and distinct interests, the articles presented here add to the growing recognition of the diversity of agents and interests involved on both ‘sides’. Even within the confines of this collection, we find at work an array of state agencies, policy

banks, non-governmental organizations, media outlets, individual merchants, and ‘ordinary’ citizens. Recognizing such diversity enables us to identify the divergent and sometimes conflicting agendas that emerge on each ‘side’ of the relationship, as well as better understand the shared interests that can bring actors together across the ‘divide’. For example, Le Dong highlights that local, Chinese, and international media all share an interest in covering the activities of Chinese companies in Africa but that even Chinese media outlets have struggled to gain access to state-owned Chinese companies operating in Kenya. This is also indicative of wider findings that undermine the often held notion of Chinese involvement in Africa being a coherent process carefully choreographed by the Chinese state (Brautigam, 2009; Mohan et al, 2014).

Significantly, and building on another important theme emerging in recent China-Africa studies (Corkin, 2013; Gadzala, 2015; Mohan and Lampert, 2013), we can see evidence of, and increasing scope for, African actors taking a key role in shaping the diverse set of Sino-African inter-relationships that emerge. Hence we find, for example, African entrepreneurs utilizing the expanding trade in ‘made in China’ goods to contest the power of established, internationally-connected elites in Antoine Kernén and Guive Mohammad’s piece (see also Cissé, 2013, Marfaing and Thiel, 2013, Tremann, 2013) while Christina Wolf identifies a pivotal role for African industrial policy in creating opportunities for local manufacturing in the context of China’s economic rise. The growing body of insights such as these counters the widespread tendency to see Chinese actors as driving and dominating their relationships with their African counterparts. This tendency not only obscures African agency and the creative ways in which African actors derive significant benefits from Chinese connections but can also undermine a recognition of the opportunities that African actors have to shape their relations with Chinese and other international actors going forward.

Finally, and related to this, the articles assembled in this special issue address the key question of the difference that ‘China’ makes. The political and economic rise of China on the global stage is often portrayed as something rather exceptional, with the opportunities and challenges of this for other nations and regions being seen as somewhat unique. But in the African context, does the recently expanded engagement of Chinese actors represent anything particularly different from the engagements of other sets of international actors, especially those from the ‘West’? This collection of articles offers some important insights. Alice Sindzingre’s careful analysis of aid, trade, and investment flows

from China to Africa suggests that while these may in some ways converge with those from ‘Western’ industrialized nations, particularly in the case of trade, they nonetheless diverge in ways that might support structural transformation on the continent, especially through investment in infrastructure and industry. Similarly, while Frances Pontemayor and Stephan Mothe highlight notable differences between the Africa-focused activities of a Chinese development finance institution (DFI) and one of its ‘Western’ counterparts, they emphasize how these differences create significant opportunities for complementarity and collaboration between these DFIs that could support African development. In other words, Chinese activities need not necessarily compete with those of other international actors in Africa.

Such claims about the positive difference that might be made by the increased engagement of Chinese actors in Africa are nonetheless tempered, not least by the Le Dong’s concerns about the attitudes of the Chinese state and Chinese companies to environmental and social risk mitigation in Chinese-backed projects on the continent. Given the diversity of actors, interventions, and contexts involved in China-Africa engagements, it is perhaps no surprise that quite different outcomes are identified. What is clear is that much more work needs to be done to more fully understand the range of impacts and the factors that determine them. There would appear to be a particular need for studies that follow the example of Sindzingre, Pontemayor and Mothe and, in an earlier issue of *AREF*, Mutambara (2013), in seeking to explore the African interventions of Chinese actors in comparative perspective with those of actors from the more established, ‘Western’ powers and, beyond this, from other emerging powers, such as from Brazil and India. Only then will it become possible to better understand what, if anything, is particular about Chinese engagements with Africa. Even then, however, making grand, overarching claims about the nature and impact of ‘China on Africa’ will remain a tentative endeavor as the outcomes will always be diverse and context-dependent.

The special issue assembled here is comprised of this piece, five research-based articles, and three book reviews. It is structured from a macro- to a more micro-level focus, looking at the broad, high-level aid, trade, and investment flows in the initial articles and ending with case studies that provide a detailed examination of local-level connections and outcomes. In the first article “Fostering structural change? China’s divergence and convergence with Africa’s other trade and investment partners,” Alice Sindzingre of the National Centre for Scientific

Research in France analyses the divergence and convergence of China's aid, trade and investment relationships with Africa in relation to those of Africa's 'traditional' partners, i.e. Western industrialized countries. This article provides a broad overview of the China-Africa economic relationship, explores the challenges and opportunities involved, and argues that this relationship may foster the structural transformation of African economies.

Christina Wolf, a PhD Candidate in the Department of Economics, School of Oriental and African Studies, University of London authors the second article, "China and latecomer-industrialization processes in Sub-Saharan Africa: Situating the role of (industrial) policy". The article examines how China's systemic impact on the world economy and growing presence in Sub-Saharan Africa (SSA) affects processes of structural change in SSA countries, exploring potential China-related effects on industrialization processes in SSA as well as the role of industrial policy in mediating these effects. In particular, it argues for capitalizing on the full potential of domestic markets rather than the more limited scope for export-led manufacturing sector growth, stemming from China's systemic impact on the world economy. Furthermore, Wolf proposes a framework to separate empirically the effect of African policy responses from differences in the size and composition of their respective economies to effects from China.

The third article, "The Complementarities of Chinese and Western development finance in Sub-Saharan Africa", focuses on the meso-, institutional level of China-Africa relations with a case study of the China Development Bank (CDB) and an assessment of some of its activities in Sub-Saharan Africa in relation to those of a 'Western' DFI, the International Finance Corporation (IFC). Frances Pontemayor, a student on the Georgia Institute of Technology's Master of Supply Chain Engineering, and Stephan Mothe, an independent researcher based in Rio de Janeiro, Brazil, examine the institutions' activities in the telecommunications and financial services sectors and argue that they are complementary rather than conflictive in the context of Sub-Saharan Africa's infrastructure development and integration into the global economy. The research further highlights opportunities for collaboration between CDB, IFC, and African countries which would maximize the efficiency and effectiveness of investment-led development projects.

The fourth article "Environmental and social risks of Chinese official development finance in Africa: The case of the Lamu Port project, Kenya" by Le Dong, a PhD student in the Graduate School of Global Environmental Stud-

ies, Kyoto University, brings us to the local level and examines the various stakeholders' relations and responsibilities around environmental and social risk (ESR) mitigation in the Chinese-backed Lamu Port project. In seeking to understand the perceptions of a range of stakeholders, including Chinese and Kenyan state agencies, NGOs and local communities, on the ESR of this particular Chinese official development finance-funded project, Dong highlights the lack of any leadership around ESR mitigation in this case and argues that the issue of ESR – and more broadly corporate social responsibility – in Chinese-backed projects in Africa is likely to become one of increasing political importance in China-Africa relations.

The fifth and final article, “The Revolution of Chinese goods in Africa: Mass consumption and new material culture,” by Antoine Kernén and Guive Khan Mohammad from the Department of Social and Political Sciences, University of Lausanne, continues a focus on the local level and examines the consequences of the proliferation of Chinese goods in the daily life of African societies, based on observations from West Africa (Burkina Faso, Senegal, Mali, Cameroon, Ghana, Togo, Benin), as well as in other parts of the continent (South Africa, Cape Verde). Rather than simply looking at Chinese goods solely through the lens of their cheap prices, Kernén and Mohammed view these products as contributing to the emergence of a new material culture. Focusing on African consumers of “made in China” goods, as well as the key category of actors actively creating this new material culture – African traders themselves, the article argues that their activities partially reconfigure local power relations surrounding access to extraversion or ‘relations with the exterior on which those who dominate the society base their power’.

Taken together, the articles make a pretty convincing case that Chinese economic activities in Africa are clearly starting to have impacts, in multiple and sometimes unforeseen ways, on African economies, development, people, and power dynamics. However, they also signpost to us the need for more of these sorts of detailed case studies and comparative analysis; we are just starting to get a sense of the wide range of the longer-term impacts of China's engagements on the African continent.

Finally, this special issue features three book reviews on important new texts that explore various aspects of China-Africa relations: Derek Sheridan, a PhD Candidate in the Department of Anthropology at Brown University, reviews Howard French's *China's Second Continent: How a million migrants are build-*

ing a new empire in Africa; Nkemjia Kalu, a Strategic Analyst at the Honourable Minister's Office in Nigeria's Federal Ministry of Industry, Trade & Investment looks at *The Looting Machine: Warlords, Oligarchs, Corporations, Smugglers, and the Theft of Africa's Wealth* by Tom Burgis; and Winslow Robertson, Founder and Managing Member at Cowries and Rice assesses *China's Superbank: Debt, oil and onfluence - How China Development Bank is Rewriting the Rules of Finance* by Henry Sanderson and Michael Forsythe.

The CA/AC Research Network has been expanding rapidly and organically since it was first launched in Johannesburg as a research working group of a dozen scholars. Today, the Network boasts over 600 China-Africa-focused scholars and practitioners around the globe. As three of its members, we – the co-editors of this special issue – are thrilled to have collaborated with the *African Review of Economics and Finance* (AREF) to bring this volume to fruition and further one of the Network's key aims of making the latest China-Africa scholarship available to a wide audience.

Regular readers of *AREF* will note that this is probably one of the most interdisciplinary focused issues that the journal has ever produced. You may have also noted that only a few of the contributors to this issue have their PhDs. The selection of our many emerging scholars and practitioner-authors is, in part, an indication of the newness of the growing inter-disciplinary sub-field of China-Africa studies. While the growing body of literature is filled with some big name scholars, we would argue that some of the best work – based on in-the-trenches fieldwork and data collection – is coming from our graduate students, with increasing numbers of them based in Africa and China. Nurturing and supporting these emerging scholars is another principal aim of the Network. Just as we continue to encourage graduate students and emerging scholars to present their work-in-progress at workshops and conferences, we are also trying to create opportunities for them to publish their work. Capacity-building is often a term reserved for development practitioners, but it also applies to all of us as we work to define and build and chart a course for China-Africa studies. For many of our contributors, these articles will serve as their first (or perhaps second) publication. We hope that you will enjoy the papers that follow and appreciate both the developmental aspects and inter-disciplinarity of the offerings herein.

We would like to thank Franklin Obeng-Odoom, School of Built Environment at the University of Technology, Sydney and editor at the *AREF*, and his partner and editor-in-chief, Paul Alagidede, Professor of Finance at the Wits

Business School, for their steadfast and enthusiastic support of this project from its inception. Agreeing to a special issue co-edited and authored by a group of social scientists not educated in economics was a brave move indeed, and we truly appreciate the opportunity to collaborate with *AREF*. We also wish to thank our incredibly patient and very diligent authors who have allowed us to share their work. Finally, we wish to acknowledge our colleagues (many of them members of the CA/AC Research Network) who served as anonymous reviewers for kindly contributing their valuable time and expertise.

Biographical Notes

Yoon Jung Park is the convener of the Chinese in Africa/Africans in China Research Network and an adjunct professor of African Studies at Georgetown University. She is a leading expert on Chinese migrants in Africa, author of *A Matter of Honour*, and contributor to many peer-reviewed journals. Her current areas of interest in the China-Africa field include ethnicity, race, and identity; affirmative action, xenophobia, and race politics; theories of south-south migration and globalization from below; and China/Africa/West entanglements around China-made clothing and Chinese garment factories in Africa.

Ben Lampert is a lecturer in international development based in the Development Policy and Practice Group at The Open University, UK. He is a human geographer and his research is primarily concerned with the role of migrants and diaspora communities in development in Africa. His recent research has focused on Chinese migrants and their development impacts in Ghana and Nigeria and he is currently a co-investigator on a UK Economic and Social Research Council-funded project on Chinese national oil companies and the economic development of African oil producers.

Winslow Robertson is the Managing Member of Cowries and Rice (cowriesrice.com), a China-Africa strategy consultancy. Cowries and Rice advises in all aspects of the China-Africa relationship and its services have been used by private companies, individual investors, strategic advisory firms, think tanks, and non-profits. Mr. Robertson's academic focus is on West African history. He received his MA in History from Syracuse University and his BA in History from James Madison University.

References

- Brautigam, D. (2009) *The Dragon's Gift: The Real Story of China in Africa*. Oxford: OUP.
- Cissé, D. (2013) 'South-South Migration and Sino-African Small Traders: A Comparative Study of Chinese in Senegal and Africans in China', *African Review of Economics and Finance*, vol. 5, no.1, pp. 17-28.
- Corkin, L. (2013) *Uncovering African Agency: Angola's Management of China's Credit Lines*, Farnham, Ashgate.
- Gadzala, A.W. (ed.) (2015) *Africa and China: How Africans and Their Governments are Shaping Relations with China*. Lanham: Rowman & Littlefield.
- Marfaing, L. and Thiel, A. (2013) 'The impact of Chinese business on market entry in Ghana and Senegal', *Africa*, (83), pp. 646-669.
- Mohan, G. and Lampert, B. (2013) 'Negotiating China: Reinserting African agency into China-Africa relations', *African Affairs*, vol. 112, no. 446, p 92-110.
- Mohan, G.; Lampert, B.; Tan-Mullins, M. and Chang, D. (2014) *Chinese Migrants and Africa's Development: New Imperialists or Agents of Change?* London: Zed Books.
- Mutambara, T.E. (2013) 'Africa-Asia trade versus Africa's trade with the North: Trends and trajectories' *African Review of Economics and Finance*, vol. 4, no.2, pp. 273-299.
- Obeng-Odoom, F. (2011). 'Review of *Food security in Africa and Asia: Strategies for smallscale agricultural development* by Henk Bakker', *African Review of Economics and Finance*, vol. 3, no. 1, pp. 81–82.
- Odoom, I. (2014) 'Review of *Agricultural development in China and Africa: A comparative analysis* by Li Xiaoyun, Qi Gubo, Tang Lixia, Zhao Lixia, Jin Leshan, Guo Zhanfeng, and Wu Jin', *African Review of Economics and Finance* vol. 6, no. 1, pp. 217–220.
- Tremann, C. (2013) 'Temporary Chinese Migration to Madagascar: Local Perceptions, Economic Impacts, and Human Capital Flows', *African Review of Economics and Finance*, vol. 5, no.1, pp. 7-16