Sino-African relations: a review and reconciliation of dominant schools of thought

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Simplice A. Asongu
African Governance and Development Institute,
Yaoundé, Cameroon.
E-mail: asongusimplice@yahoo.com
AGDI Working Paper
Research Department

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Abstract

We review about 100 papers on Sino-African relations published during the past 5 years for the most part, in order to put some structure on the existing strands. The literature is classified into dominant schools of thought, namely the: neocolonial or pessimistic; balance-development or optimistic and accommodation schools. After the classification, we reconcile the schools of thought in light of dominant themes and debates on development models, inter alia: (1) pessimists versus (vs) optimists; (2) preferences of rights in development models (economic vs political, national vs human & sovereign vs idiosyncratic); (3) the Washington Consensus vs the Beijing Model and; (4) an African Consensus in both the Washington Consensus and Beijing Model. Both the first and second schools have core values articulated by the New Partnership for Africa’s Development (NEPAD).

JEL Classification: F19; F21; O10; O19; O55
Keywords: Economic relations; China; Africa

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Simplice A. Asongu is Lead economist in the Research Department of the AGDI (asongus@afrdev.org).
1. Introduction

Lost decades of the Washington Consensus as a development theory have pushed African policy makers to start seeking non-Western allies (Fofack, 2014, p. 6). Moreover, a plethora of factors are constraining African nations towards alternative development models, inter alia: manipulation during the Cold War; Structural Adjustment International Monetary Fund (IMF) policies; corruption of governments by Western companies; Slavery and Colonialism. In this light, the growing political and economic influence of China has become an interesting option for African nations (Robinson, 2009; Asongu & Aminkeng, 2014). Accordingly, the burgeoning Sino-African South-South relationship is essentially motivated by the need for more equity (at least in policy) which the West has not delivered to African nations for centuries.

China’s burgeoning footsteps on the African continent has led to a series of debates in academic and policy making circles because “China returns to Africa in the 21st century with not only a need for economic resources but with the cash to play the game dramatically and competitively” (Lyman, 2005). The debates have been substantially based on China’s economic diplomatic strategies (Taylor, 2006; Besada et al., 2008; Asche et al., 2008; Biggeri et al., 2009; Ortmann, 2012). The numerous studies have discussed the need for multi-polar development strategies (Tull, 2006); analyzed limited short-term benefits of the relationship (Duclos, 2011); put forward the resource-seeking and bad-governance oriented Chinese motivations (Renard, 2011; Kolstad & Wiig, 2011; De Grauwe et al., 2012); push and pull factors governing the nexus (Biggeri & Sanfilippo, 2009) and; the politics in the nexus (Taylor, 2007); inter alia, Alden et al. (2008), Alves (2006), Gaye (2006), Guerrero & Manji (2008), Klaplinsky & Messner (2008), Kitissou (2007), Lall et al. (2005), Mawdsley (2008), Moreira (2007), Muneko & Koyi (2008), Wang & Zheng (2012) &, Wei (2007).
As far as we have reviewed, the evolving literature on Sino-Africa relations has left a substantial gap to be filled: classification of narratives into dominant schools of thought and reconciliation of the schools of thoughts (Schiere & Walkenhorst, 2010; Jenkins & Edwards, 2006; Brenton & Walkenhorst, 2010; Chemingui & Bchir, 2010; Schiere, 2010; Sanfilippo, 2010; Wu & Cheng, 2010; Wei & Wang, 2009; Biggeri & Sanfilippo, 2009; Wang & Zheng, 2010; Ji, 2010; Duclos, 2011; Zhu, 2010; De Grauwe et al., 2012; Renard, 2011; Drogendijk & Blomkvist, 2013; Lin & Farrell, 2013; Wei, 2013; Diaw & Lessoua, 2013; Zhang et al., 2013; Munemo, 2013; Adekunle & Gitau, 2013; Asongu & Aminkeng, 2013; Babatunde, 2013).

In light of the above, to the best of our knowledge, Babatunde (2013) and Asongu & Aminkeng (2013) are studies in the literature closest to the current exposition. While the former is essentially based on stylized facts with a limited perusal of the literature, the latter have presented the debate in terms of schools of thought but failed to critically engage existing narratives supporting the schools. First, Babatunde whose paper reference’s only 17 articles has used stylized ‘facts and figures’ to present the good, bad and ugly faces of China in Africa.

Second, Asongu & Aminkeng (2013) have also used stylized facts to classify Sino-African relations into three dominant schools of thought: the optimistic, pessimistic and accommodation schools. It is interesting to note that, ‘the bad, the good and the ugly’ sides of China documented by Babatunde (2013) do not independently correspond to the three schools of thought suggested by Asongu & Amingkeng (2013). In essence, all three Chinese faces could in some cases only be consistent with the narrative of a single school of thought. For example, authors after presenting all the faces of China may either take a pessimistic, an optimistic or an accommodation view.
The present paper steers clear of the above literature by: classifying the stock of recent Sino-African literature into the dominant schools of thought and; reconciling the schools in light of dominant views and models of development. First, the literature is classified into dominant schools of thought, the: neocolonial or pessimistic, balance-development or optimistic and, accommodation schools. After the classification, we reconcile the schools of thought in light of dominant themes and debates on development models, inter alia: (1) pessimists versus (vs) optimists; (2) preferences of rights in development models (economic vs political, national vs human & sovereign vs idiosyncratic); (3) the Washington Consensus vs the Beijing Model and; (4) an African Consensus in both the Washington Consensus and the Beijing Model.

The rest of the study is organized as follows. Section 2 presents the schools of thought and arguments. The schools are then reconciled in Section 3 before Section 4 concludes.

2. Schools of thought and arguments

2.1 The Pessimistic or Neocolonial school

Consistent with Asongu & Aminkeng (2013), this first school is led by critics or skeptics of the Beijing model. According to Nijs (2008), the Beijing model of development is in favor of State regulation and prudence in the openness of markets. More emphasis is placed on prudential market reforms and national sovereignty. While Moyo (2013) defines the Washington Consensus (WC) as ‘liberal democracy, private capitalism and priority in political rights’, the Beijing Model (BM) is defined as ‘deemphasized democracy, state capitalism and priority in economic rights’. In spite of some criticisms (Huang, 2010), there is growing consensus that the BM is more adapted to 21st century development, in comparison to the WC that focuses on government failures by preaching, ‘liberalization, marketization and privatization’ (Fofack, 2014, p. 6).
The narrative of this school of thought sustains that, Chinese external flows to Africa are not consistent with conditions that promote good governance. According to Clinton (2011), it is simply neocolonialism and profit-making without morals. In line with the school, Western development approaches like the USA oriented African Growth and Opportunity Act (AGOA) go beyond profit-motives by offering an economic ladder of opportunity and sustainable investment that should benefit Africa in the long-run. This school has motivated myths in the Sino-Africa relationship: “China targets aid to African states with abundant natural resources and bad governments, Chinese do not hire Africans to work on their projects, Chinese workers and managers live in extremely simple conditions as compared to Western advisors, China outbids other companies by flouting social and environmental standards and, low linkage levels between Chinese and local businesses” (Asongu & Aminkeng, 2013, p. 263).

The literature supporting this first school is summarized in Panel A of Table 1. The narratives include, inter alia: Chinese trade crowding-out and rendering African domestic industries vulnerable (Giovannetti & Sanfilippo, 2009, p. 506); the agricultural exports of Southern Africa not being positively impacted by China’s growth (Villoria, 2009, p. 531); prostitutes from China perceived as junk and cheap as Chinese trade commodities (Ndjio, 2009, p. 606); the USA and Europe growing suspicious of the burgeoning Sino-African nexus and searching for strategies to improve their footprints (Huliaras & Magliveras, 2008, p. 399); Sino-African relations remain asymmetric from the Western perspective (Alden,

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2 “Well, our view is that over the long run, investments in Africa should be sustainable and for the benefit of the African people. It is easy – and we saw that during colonial times – it is easy to come in, take out natural resources, pay off leaders, and leave. And when you leave, you don’t leave much behind for the people who are there. You don’t improve the standard of living. You don’t create a ladder of opportunity. We don’t want to see a new colonialism in Africa. We want, when people come to Africa and make investments, we want them to do well, but we also want them to do good. We don’t want them to undermine good governance. We don’t want them to basically deal with just the top elites and, frankly, too often pay for their concessions or their opportunities to invest” (Clinton, 2011).
2006, p. 147); and substantial discontent in working relationships in the textile industry of Zambia (Brooks, 2010, p. 113).

Accordingly, the investment of China in Sudan is destroying local communities (Askouri, 2007, p. 71); resource-driven Chinese investments (Kiggundu, 2008, p. 130); the burgeoning trade relations not a source of higher standards of living in the long-term for sub-Saharan Africa (SSA) (Elu & Price, 2010, p. 587); Africa will not benefit from the relations because it is characterized by low levels of diversification and small productive capacities (Chemingui & Bchir, 2010, p. 562); the nexus is harmful to the industrial prosperity of SSA because it is contrary to mainstream wisdom of industrialization as a crucial development strategy component (Power, 2008, 7); Sino-African relations may also export human rights violations (Breslin & Taylor, 2008; Zhou, 2005) and; there are myths surrounding Sino-African relations presented by Asongu & Aminkeng (2013, p. 263) from a plethora of literature (Freschi, 2010; De Grauwe et al., 2012).

Table 1: Synthesis of the schools of thought

<table>
<thead>
<tr>
<th>Panel A: The Pessimistic or Neocolonial School</th>
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<tr>
<td>Villoria (2009)</td>
<td>Southern Africa’s agricultural exports have not been positively affected by China’s growth. “We find little complementarity between China’s agricultural import demand and the Southern African (SA) countries’ agricultural export supply. We also explore the possibility of China affecting SA agricultural exports through higher world agricultural prices associated with China’s growing demand for food. We find that, although China has moderately increased agricultural prices (in an aggregated sense), SA exports do not seem to benefit from these price increases” (p. 531).</td>
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<tr>
<td>Ndjio (2009)</td>
<td>Chinese prostitutes are perceived as cheap and junk as the Chinese commodities at large. “The main argument of this paper is that ‘Shanghai beauties’, as Cameroonian generally refer to Chinese migrant prostitutes, are part of the cheap and depreciated commodities that China is exporting to this country through its well-organised trade networks mostly controlled by Chinese traders from overseas. As such, the equivocal perception of these Asian sex workers by the native population as both cheap bodies and junk sex only reflects the general perception of China-sourced goods at large”. (p. 606).</td>
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<tr>
<td>Huliaras &amp; The USA and Europe are increasingly suspicious about the growing Sino-African nexus and looking for strategies to increase their own presence. “The recent inroads made by China in the African continent as a trading partner, investor and donor have been important both in terms of magnitude and pace. Even though for a number of African regimes it signifies increased bargaining power, the growing Chinese presence</td>
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Magliveras (2008) in Africa was greeted with skepticism or anxiety in the West. After an overview of the multifaceted Chinese presence in Africa and the stance taken by the USA, the article attempts to identify the reasons that could explain the rather belated, especially if its traditional ties with Africa are taken into account, EU response” (p. 399).

Alden (2006) Sino-African relations are asymmetric and have raised concerns from the West. “Chinese-African cooperation, however, remains constrained by the asymmetric nature of relations and Africa’s changing attitude towards issues such as humanitarian intervention” (p. 147).

Brooks (2010) Substantial discontent in labor relations in the Zambian textile industry. “Wages were suppressed through casualisation, working conditions worsened and strict discipline was imposed. Workers did not gain the modern livelihoods they anticipated and through labour struggles, meanings and understandings of racial differences were produced and anger towards the Zambian state was articulated” (p. 113).

Askouri (2007) Chinese investments in Sudan are destroying local communities. “The sad truth is, both the Chinese and their elite partners in the Sudan government want to conceal some terrible facts about their partnership, ” writes Askouri. “They are joining hands to uproot poor people, expropriate their land and appropriate their natural resources.” (p. 71).

Kiggundu (2008) Chinese investments are resource-driven. “Results show that largely driven by monopolistic state-owned enterprises (SOE), china’s outward FDI is concentrated in a few large resource-rich African countries characterized by high risk governance environments and poor global competitiveness” (p. 130)

Elu & Price (2010) Growing trade openness with China is not an avenue of higher living standards in the long-term for SSA. “In addition, increasing trade openness with China has no effect on the growth rate of total factor productivity. To the extent that total factor productivity and its growth is a crucial determinant of economic growth and living standards in the long run, our results suggest that increasing trade openness with China is not a long-run source of higher living standards for sub-Saharan Africa” (p. 587).

Chemingui & Bchir (2010) Africa will not benefit much from Sino-African relations because the continent is characterised by low levels of diversification and small productive capacities. “In other words, China is expected to achieve in 10 years (2010–2020) what initially was expected to be achieved in 20 years in case of no agreement under the Doha Round, where a simple linear estimation on the evolution of Chinese exports is carried out. Our results also show that even in the case where China will offer more market access for African countries, the situation will not improve much for most of them. The reason is that Africa is still suffering from small productive capacities and a low level of diversification of its economy” (p. 562).

Power (2008) The relations are harmful to SSA’s industrial growth because it challenges the mainstream wisdom of industrialization being a crucial development strategy component. “These challenges are expressed through a combination of direct impacts (expressed in bilateral country-to-country relations) and indirect impacts (reflected in competition in third country markets). In current structures, these impacts are predominantly harmful for SSA’s industrial growth, as expressed through its recent experience in the exports of clothing to the US under AGOA (African Growth & Opportunity Act). If Washington Consensus policies prevail, these harmful impacts will be sustained and deepened” (p. 7).

Breslin & Taylor (2008) Sino-African relations may also exports human right violations.

Large (2008) China’s non-interference policy in Sudan’s Darfur crisis is very disturbing. “Today China faces the challenge of accommodating its established policy of non-interference with the more substantive and growing complexity of Chinese involvement developed over the past decade in Sudan, amidst ongoing conflict in western Darfur and changing politics after the North-South peace agreement of January 2005” (p. 93).

Panel B: The Optimistic or Balance Development School

Dependence on Chinese capital goods leads to economic growth in SSA. “The author...
finds robust evidence in support of the hypothesis that capital goods from China are an important technology transfer channel that enhances economic growth in Africa. Therefore, trade liberalization policies aimed at attracting Chinese capital on a non-preferential basis are important. In addition, the results also suggest that growth strategies based on greater physical and human capital accumulation, increased trade openness, political stability, and less government consumption expenditure are important” (p. 106).

Ajakaiye & Kaplinsky (2009)

The dependence theory should be dropped to better understand the nexus. “A reincarnation of dependency theory, in which Africa was seen as a quivering victim of external forces, must be abandoned, both in order to understand better what is happening and why it is happening, and in helping Africa to make the best of the opportunities opened up by the rapid emergence of the Asian Driver economies and the consequent restructuring of the global order in the twenty-first Century” (p. 479).

Both positive and negative trade effects exist, though the negative effects outweigh the positive in Africa. It is up to African policy makers to work towards reducing the negative effects. “The paper confirms that there are both trade-related gains and losses arising from China–Africa trade relations. Beyond this is the concern that the existing pattern of Africa-China trade – which continues to be strengthened by China's rising profile – does not correspond to the region's longer term objectives, that is, to diversify its economic and trade structure and ensure that trade contributes to the industrial development of African countries. This paper suggests that for many African countries, the negative effects may outweigh the positive ones” (p. 485).

Ademola et al. (2009)

SSA should device rational policies to benefit from the exploitation of its natural resources. “The paper concludes that SSA countries should maximise the opportunities opened to them by their resource-base by adopting a similarly integrated and focused response to Chinese (and other large) investors who seek to draw on the continent's natural resources” (p. 551).

Kaplinsky & Morris (2009)

China–Africa relations are beneficial even to ‘non-resources rich’ countries like Mauritius. “Mauritius, with no exploitable natural resources, and facing acute Chinese competition in its traditional markets, is a most likely candidate to suffer China's onslaught. This paper argues that China's economic rise can benefit Mauritius. Analyzing the impact of China through the channels of trade, aid and investment, we show that preference erosion, not China's emergence, is to blame for the drastic loss of jobs in the clothing industry. This industry, however, has proved resilient since exports are back on a rising trend. On the other hand, Chinese aid to finance construction and infrastructure projects has been a welcome relief, even when it has been tied to the use of Chinese labour and inputs. The most significant benefits of China's engagement are likely to occur in the area of investment as China strategically uses Mauritius as a platform to penetrate the African market” (p. 622).

Ancharaz (2009)

China is transforming Africa by exporting entrepreneurial talents and economic dynamism.“Against the conventional wisdom that Chinese involvement cannot transform Africa’s economy for the better so as to end much of the poverty and also to spark high speed growth, this paper finds that China is already in the process of transforming Africa. While the conventional wisdom sees corrupt regimes and weak state capacity in Africa frittering away Africa’s opportunity to rise by plugging into Chinese dynamism, China is found in this paper already to be exporting entrepreneurial talent to Africa and to be dynamizing the African economy through East Asian practices. Chinese can bring industry to Africa much as Japan brought it to Southeast Asia in the 1960s and 1970s. Africa could therefore be incorporated into Asian economic dynamism” (p. 1).

Friedman (2009)

It is mutually beneficial historic relationship that is sustainable in the future. “China, in its quest for a closer strategic partnership with Africa, has increasingly dynamic economic, political and diplomatic activities on the continent. Chinese leaders and strategists believe that China's historical experience and vision of economic development resonates powerfully with African counterparts and that the long-standing history of friendly political linkages and development co-operation offers a durable foundation for future partnership..... Rather than highlighting one strand of Chinese relations with African states (such as aid or governance) we propose here that it is...
necessary to critically reflect on the wider geopolitics of China–Africa relations (past and present) in order to understand how China is opening up new ‘choices’ and altering the playing field for African development for the first time since the neo-liberal turn of the 1980s” (p. 462).

Mohan & Lampert (2010) African agencies are also playing an important role in shaping Sino-African relations. “Most analyses of China’s renewed engagement with Africa treat China as the driving force, and little recognition is given to the role of African agency, especially beyond the level of state elites. ...While both cases demonstrate African agency, the ability of African actors to exercise such agency is highly uneven, placing African politics at the heart of any understanding of China–Africa relations” (p. 92).

Kuo (2012) The paper argues that the Beijing model should be engaged instead of being criticized. “This article argues that, instead of criticizing Beijing for security free-riding and noncooperation in liberal peace projects in Africa, we should engage with Beijing’s perspective on African security and its rationale for noninterference in Africa’s domestic affairs”. (p. 24)

Buckley (2013) From the Senegalese experience, Chinese land grabbing could be more beneficial to local actors if their views are more considered in the negotiation of contracts. “What emerges is a picture of a Chinese agricultural management regime for African land that is simultaneously fraught with conflict, while also replete with collaboration benefiting some smallholder farmers. I argue that ‘land grabbing’ must be seen not as a straightforward, linear process of state or corporate takeover of global land, but as a dynamic performance of negotiation among diverse state actors, corporate players and citizens — one that will reshape global development in unanticipated ways” (p. 429).

More studies are needed to prove the myths surrounding Sino-African relations, especially that on the Chinese importing their own labour. “It then examines a pervasive theme in China–Africa relations, which assumes that the Chinese work through enclaved investments to secure the resources of low-income economies, though in this sense the Chinese are no different from other investors. Where they do differ is in their bundling of aid, trade and FDI and their use of imported labour, which has been termed ‘surgical colonialism’. The article does not dispute the existence of Chinese enclaves but argues that we need more empirical evidence on the levels of labour importation in relation to local labour market conditions”. (p. 1255).

Sino-African relations offer the possibility of a development regime that reduces poverty. “Similarities to previous rounds of extractive globalization notwithstanding, with greater inter-African coordination, there is scope for South-South cooperation to have a substantial poverty reduction impact in the future. Consequently, the new ‘scalar alignment’ opens up the possibility of a poverty reducing development regime” (p. 1197).

Trade with China diversifies the economy and mitigates the negative impact of natural resource specialization on economic growth. “It uses dynamic panel estimations to measure the impact of trade orientation on economic growth in the CEMAC countries and concludes that specialization in natural resources affects economic growth negatively. But this effect is somewhat mitigated by the orientation towards China”(p. 189).

Growing Specialized economic zones initiated by China are improving African value chains. The trade relationship may be positive or negative depending on countries. “The ways in which Africa has been affected differs from country to country, with some such as Angola, Nigeria and Sudan being important exporters, others such as Ghana, Ethiopia, Kenya, Tanzania and Uganda mainly importers from Asia, and Lesotho facing competition from China in export markets” (p. 207).

The rise in prices of natural resources benefit Africa, but there are also dramatic and unexpected consequences.

China’s substantial rate of poverty mitigation holds special lessons for Africa that can
be drawn from Sino-African relations. “This paper focuses on China’s poverty reduction policies and programmes and their impact on the poor regions and poor households. Lessons are drawn for poverty reduction and economic development in African countries. The paper also explores the potential for collaboration in poverty reduction between China and African countries and recommendations are made for the governments and donor agencies” (p. 629).

McCormick (2008) China’s aid to Africa significantly affects development, but the impact varies depending on structural and institutional characteristics of recipients.

Panel C: The Accommodation School

Drogendijk & Blomkvist (2013) Chinese firms have similar motivations to Western firms. “All else equal, the authors find that African countries enjoy a higher likelihood of Chinese outward FDI than the rest of the world. Moreover, they find that Chinese firms invest in African markets for market-seeking, natural resource-seeking, and strategic asset-seeking motives; hence, the motives for Chinese FDI in Africa seem to match those of Western firms’ investments in global markets” (p. 75).

Lin & Farrell (2013) Chinese FDI is like conventional FDI. “While prior research has viewed Chinese outward investment from the latecomer perspective, the authors found that the behavior of Chinese privately owned enterprises does not deviate substantially from that described by conventional foreign direct investment theories” (p. 85).

Gu (2009) The primary factors driving private investment are African market opportunities, competition within China and the presence of a strong entrepreneurial spirit. “Key findings are that the Chinese private firms have followed their own paths to Africa and the primary factors driving private investment are African market opportunities, competition within China and the presence of a strong entrepreneurial spirit”. (p. 570).

Zhang et al. (2013) Chinese private enterprise investment is motivated by risk-taking and market-seeking characteristics. “They also make an empirical study of the determinants of Chinese PEs compared with state-owned enterprises in the period 2002–2011 and found Chinese PEs in Africa are driven mainly by the motivation of market-seeking, not by resource-seeking; China’s imports from the host country also facilitate Chinese companies’ investment in Africa; and Chinese companies in Africa are risk-takers”. (p. 96).

Mohan & Tan-Mullins (2009) Migration of Chinese workers into Africa is part of the competitive game, though it has negative and positive effects.


Wissenbach (2009) Sino-African relations are ineluctable processes that merit the corporation of the EU for greater synergy in African development.

Ovadia (2013) China represents both a new-imperialism and a new model of development. “While differentiating between the new Euro-American and Chinese imperialisms, China’s new engagement, exemplified by its relationship with Angola, is a project of recolonisation and appropriation of economic surplus. The Chinese variety of imperialism, however, offers African states a compromise to their elite and to their citizens that has heretofore been missing from post-colonial Euro-American imperialism – the prospect of sustained economic growth and improvement to the quality of everyday life” (p. 233).

Carmody & Owusu (2007) China versus American geo-economic strategies in Africa are reworking structures of colonial trade, fueling conflicts and consolidating autocratic regimes.

Kamwanga & Koyi (2009): The Chinese investments in Zambia are broadly consistent with the rule of free market competition. “Most of the Chinese firms operating in Zambia are state owned and/or are strongly supported by the Chinese state, which advantages them over other competitors…. The Chinese businesses do not operate like conventional profit maximizing firms, often willing to provide concessions in order to gain access to markets. For some the practices include bidding at very low prices, settling for low profit margins, sourcing cheap inputs from China, and using fairly skilled Chinese workers”.
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<th>Author(s)</th>
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<tr>
<td>Kolstad &amp; Wiig</td>
<td>China’s investment in Africa is resource- and ‘weak institutions’-driven. This is not different from the motivations of Western FDI.</td>
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<tr>
<td>Osei &amp; Mubiru</td>
<td>China’s move into Africa is not different from that of the West (need for sources of raw materials and markets for finished products).</td>
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<tr>
<td>Sanfilippo,</td>
<td>The study goes beyond the mainstream determinants of natural resource endowments and market potential drivers to establish that Chinese FDI is also substantially linked to economic cooperation.</td>
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<td>(2010)</td>
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<tr>
<td>Schiere (2010)</td>
<td>There is need to build complementarities among Africa, traditional development partners and China. “The paper advocates that complementarities can be built between these development modalities on a national, regional and global level. This would enhance development effectiveness, increase efficiency and create win-win situations which would be beneficial to African countries, China and traditional development partners” (p. 615).</td>
</tr>
<tr>
<td>Mohan &amp; Power</td>
<td>Though Sino-African relations offer new options for the development of Africa. Chinese involvement is also contextual and ambivalent.</td>
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<td>(2008)</td>
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<tr>
<td>Alden &amp; Alves</td>
<td>Sino-African relations is a historical evolution</td>
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Source (Author)

2.2 The Optimistic or Balance-development School

According to the second school summarized in Panel B of Table 1 above, Sino-African relations should be seen from an optimistic angle. Moreover, if the relationship is asymmetric, African governments have the leverage to take action for a balance-development approach (Duclos, 2011; Menell, 2010). This school is also an anti-thesis to the first school because it argues that the approach of patronizing African countries by Western nations is much severe compared to the Chinese foreign policy that is based on unconditionality and non-interference. Moreover, the use of ‘colonialism’ by the first school to qualify the relationship is too strong a term and/or even hypocritical because the use of foreign aid by the West to influence domestic policies in African countries is more friendly to ‘neocolonilism’ (Tull, 2006; Asongu & Aminkeng, 2013).

Asche & Schüller (2008) have provided an interesting literature about concerns of the first school and concluded that empirical evidence to substantiate the positions of this school is not yet very apparent. A finding confirmed by Asongu & Aminkeng (2013) and supported by Menell (2010) who concludes that Sino-African relations offer possibilities for mutual
development. Some analysts have even postulated that policy makers in Africa should stop listening to the West (Akomolafe, 2008) because China and Africa were both in the same economic stalemate in the 1970s. Nijs (2008), a former junior Dutch minister supports this school in her position that China’s foreign policy is consistent with the New Partnership of Africa’s Development (NEPAD) because it is in line with the African Union’s conception of African ownership.

The conclusions of the literature supporting this second school are summarized in Panel B of Table 1. The narratives include, inter alia: the dependence theory as postulated by the first school should be abandoned in order to better understand the Sino-African nexus (Ajakaiye & Kaplinsky, 2009, p. 479); the Beijing model should be engaged instead of being criticized (Kuo, 2012, p. 24), essentially because Sino African relations offer the possibility of a development regime that mitigates poverty in Africa (Carmody, 2009, p. 1197); dependence on capital goods from China is good for economic prosperity in SSA (Munemo, 2013, p. 106) and; there are both positive and negative effects of the nexus and African policy makers should work towards mitigating the negative effects which outweigh the positive (Ademola et al., 2009, p. 485). For example SSA should device sustainable policies in order to benefit from the exploitation of its natural resources (Kaplinsky & Morris, 2009, p. 551), essentially because the rise in the prices of natural resources is benefiting Africa, though there are also dramatic and unexpected consequences (Goldstein et al., 2006).

The literature on the second school also concludes that: China-Africa relations are mutually beneficial even in non-resource rich countries like Mauritius (Ancharaz, 2009, p. 622); China is bringing transformation to Africa through economic dynamism and export of

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3 “The West are used to telling African countries that if you are liberalized, privatized and become more democratic, we will help you. But China treats African countries as equal partners -- the partnership rather than conditional relationship…. More and more economists, including me, are considering the Beijing Consensus a better model in this century than the Washington model. …People sometimes make the mistakes that modernization equals Westernization. It’s not the case. We cannot force the Western model on anything in the world. ….China’s rise lies on the changing of geo-economy which is tilting towards the East, not the financial crisis in western countries” (Nijs, 2008).
entrepreneurial talent (Friedman, 2009, p. 1); the relationship has been historically mutually beneficial and is sustainable in the future (Power & Mohan, 2010, p. 462); African agencies are also playing a substantial role in shaping Sino-African relations (Mohan & Lampert, 2010, p. 92); from a Senegalese experience, Chinese land grabbing could be more beneficial to local actors if more of their views are considered in the negotiation of contracts (Buckley, 2013, p. 429) and; more studies are needed to prove the criticisms by the first school of Sino-African relations, especially the importing of Chinese labour (Mohan, 2013, p. 1255).

The growing specialized economic zones that have been initiated by China are improving value chains in Africa (Edinger, 2008); the effect of the relationship may be positive or negative depending on countries (Jenkins & Edwards, 2006, p. 207); trade with China is diversifying African economies and mitigating the negative impact of natural resource specialization on economic prosperity (Diaw & Lassoua, 2013, p. 189); China’s substantial rate of poverty mitigation holds special lessons for Africa that can be drawn from Sino-African relations (Wu & Cheng, 2010, p. 629) and; China’s aid to Africa significantly affects development, but the impact varies depending on structural and institutional characteristics of recipients (McCormick, 2008).

2.3 The Accommodation School

The third stream of the literature which is the Accommodation school argues that the Sino-African relationship is neither an issue of pessimism (or neocolonialism) as advocated by the first school nor one of optimism (or balance-development) as in the narrative of the second school. According to this third school, the nexus is simply a chain of ineluctable evolving globalization and economic relational processes to which African nations must accommodate. According to this school, African nations have no other major alternatives beside the West and China, hence must succumb (De Grauwe et al., 2012; Asongu & Aminkeng, 2013, 2014).
In essence, the underpinnings of the school are based on two foundations. First, while China and Western nations may have the same neocolonial ambitions, there is not much African nations can do about it. Second, China is using the same norms of free market competition advocated by the WC to win more projects in Africa. Moreover, given that the failed prescriptions of the WC administered to African countries over the past decades have failed to deliver for the most part (Bartels et al., 2009; Tuomi, 2011; Asongu, 2012; Darley, 2012; Fofack, 2014), it is politically correct for China to use it as an instrument in its foreign policy.

The conclusions of the literature supporting this third school are summarized in Panel C of Table 1 above. The narratives include, among others: corporations from china have the same motivations as Western companies (Drogendijk & Blomkvist, 2013, p. 75); Sino-African relations are ineluctable processes that merit the cooperation of the European Union (EU) for greater synergy in African development (Wissenbach, 2009, p. 662); China’s engagement with Africa represents both a new-imperialism and a new model of development (Ovadia, 2013, p .233) and; Chinese versus American goeconomic strategies in Africa are reworking patterns of colonial trade, fueling conflicts and consolidating autocratic regimes (Carmody & Owusu, 2007, p. 504).

Chinese foreign direct investment (FDI) is similar to conventional FDI (Lin & Farrell, 2013, p. 85); the primary factors motivating Chinese private investment in Africa are market opportunities, strong spirit of entrepreneurship and, competition within China (Gu, 2009, p. 570) or risk-taking and market-seeking features (Zhang et al., 2013, p. 96); migration of Chinese workers into Africa is part of the competitive game, though it has raised concerns (Mohan & Tan-Mullins, 2009, p. 588); Chinese investments in two Zambian sectors are not different from mainstream foreign investment (Kragelund, 2009, p. 644) and; Chinese investments in Zambia are also broadly consistent with the rule of free market competition
While Chinese investments in Africa are resource- and ‘weak institutions’-driven, this is not different from the motivations of Western FDI (Kolstad & Wiig, 2011, p. 31) or China’s move into Africa is not different from that of the West centuries ago which was motivated primarily by the need for raw material for its industries and markets for its finished products (Osei & Mubiru, 2010, p. 1).

Sino-African relations is a historical evolution (Alden & Alves, 2008, p. 43) and hence, studies should go beyond mainstream determinants of market potential & natural endowments and critically engage how FDI is linked to economic cooperation (Sanfilippo, 2010, p. 599). This confirms the need to construct complementarities among Africa, traditional development partners and China (Schiere, 2010, p. 615). This would ultimately dissipate the ambivalent Sino-African relations, though it offers new options for the development of Africa (Mohan & Power, 2008, p. 23).

3. Reconciling the schools of thought

This section reconciles the schools of thought into four main strands: pessimists versus (vs) optimists; preferences in rights (national vs human, sovereign vs idiosyncratic & economic vs political); the Washington Consensus vs the Beijing model and; an African consensus both in the Beijing Model and Washington Consensus.

First, based on the available literature, the Accommodation school is the most supported because there are genuine reasons to be both pessimistic and optimistic about Sino-African relations. On a first note, as postulated by Tull (2006) and recently supported by Asongu & Aminkeng (2014), the West has been hypocritical in its criticism of China’s foreign policy in Sino-African relations. This is essentially because; the USA’s foreign policy in Saudi Arabia is selective and not constrained by human rights concerns: it is motivated by the same ‘oil or resource’-diplomacy employed by China. Moreover, the French policy in Africa has historically not been motivated by her cherished values of ‘liberty, fraternity and
equality’. On a second note, Sino-African relations are historical processes that are bound to continue in a distant future. Hence, advocates of the Optimistic or Balance-development school can rely on the criticisms of the Pessimistic or Neocolonial school to improve the Sino-African nexus. This is mainly because China is simply playing by the very standards of globalization cherished by the latter school.

Second, there are issues in preferences of rights motivating the first and second schools that merit reconciliation. These include, national vs human rights (Taylor, 2006); sovereign vs idiosyncratic rights (Asongu & Aminkeng, 2014) and; economic vs political rights (Moyo, 2013; Asongu, 2014cd; Lalountas et al., 2011). While the second-sets of rights are substantially advocated by the first school, the first-sets are prioritized by the Chinese model and hence, represent the foundations of the second school. On a first note, the non-interference foreign policy of China is partially founded on the preference of national rights over human rights. Africa’s historic suspicion of Western bias in the conception and definition of human rights has been recently consolidated with gay rights considered as fundamental human rights in the face of national rights (executive, judiciary and legislative). Accordingly, the ability of African countries to pass and enforce anti-gays laws is being seriously constrained. A case in point is the recent anti-gay legislation bill in Uganda that has been greeted with the suspension of foreign aid and loans by some Western donors and the World Bank respectively (Asongu, 2014d).

On a second note, specific individual rights which could be classified as ‘idiosyncratic rights’ should not take precedence over sovereignty rights, according to Chinese foreign policy (Taylor, 2006). Therefore, since African nations are more in tune with principles that are friendly to the absence of hegemony, international law should not enable sovereign nations to criticize other sovereign nations on matters that are backed by domestic law and
principles of democracy. If this is the case, most radical criticisms leveled on Sino-African relations by the first school would be relaxed in favor of more constructive criticisms.

The third note on preferences between ‘the right to vote’ and ‘the right to food’ has been the object of intense debate in recent development literature (Asongu, 2014d; Moyo, 2013). There is a growing belief that political rights are more endogenous to economic prosperity, productive structures or economic rights (Anyanwu & Erhijakpor, 2014). Hence, if the first school of thought were to acknowledge that developing countries need economic rights more than they need political rights, criticisms leveled on Sino-African relations would substantially reduce.

Third, the debate over whether political rights or economic rights should come first in a development model could be reconciled with the Moyo (2013) conjecture. It should be noted that, whereas the Beijing model is defined by Moyo as ‘state capitalism, deemphasized democracy and priority in economic rights’, she also defines the WC as ‘private capitalism, liberal democracy and priority in political rights’. While the prioritization of political rights is strongly advocated by the first school, the second school puts more emphasis on the need for economic rights. The conjecture advocates for a short-run model that is based on priority in economic rights or the Beijing Model and the long-term development model based on priority in political rights or the Washington Consensus.

In essence, a sustainable middle class is required for political rights to be genuinely demanded and the Beijing model has proven historically to be the better model at providing this middle-class within a relatively short time horizon (Asongu & Aminkeng, 2014). Therefore, in the presence of a middle class, political rights would automatically be demanded by the population. Moreover, the demand for political rights would not be tainted by crony democracy because; economic rights (of food and shelter) that are concerns of the low-income class would have been fulfilled. The Moyo conjecture has been broadly validated in
developing nations and African countries respectively by Lalountas et al. (2011) and Asongu (2014a).

Fourth, an African consensus has also been derived from a reconciliation of the first (Washington consensus or priority in political rights) and second (Beijing model or priority in economic rights) schools. The current African consensus or New Partnership for Africa’s Development (NEPAD) is promoted by both the WC and BM. Accordingly, while the WC promotes democracy and human rights advocated by the NEPAD, the BM through its non-interference policy is consistent with the NEPAD’s value of African ownership. It should be noted that the NEPAD is a consensus for African development that underscores: the ‘promotion of rights (human & democratic), good governance and strong institutions’ and ‘African sovereignty’. Whereas the BM favors the latter, the former is supported by the WC.

In light of the above, both the first and second schools advocating the WC and BM respectively are reconcilable in the NEPAD. This African consensus has been adopted by serious African nations for the advancement of the continent. Democratic, economic development, good governance and human rights are values that are articulated in its charter.

4. Conclusion

We review about 100 papers on Sino-African relations published during the past 5 years for the most part, in order to put some structure on the existing strands. The literature is classified into dominant schools of thought, namely the: neocolonial or pessimistic; balance-development or optimistic and accommodation schools. After the classification, we reconcile the schools of thought in light of dominant themes and debates on development models, inter alia: (1) pessimists versus (vs) optimists; (2) preferences of rights in development models (economic vs political, national vs human & sovereign vs idiosyncratic); (3) the Washington Consensus vs the Beijing Model and; (4) an African Consensus in both the Washington Consensus and Beijing Model.
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