

NO 12

LIJOMASS

LAPAI INTERNATIONAL JOURNAL OF MANAGEMENT
AND SOCIAL SCIENCES



ISSN: 2006-6473

A Journal of the Faculty of Management & Social Sciences
Ibrahim Badamasi Babangida University, Lapai - Niger State

Volume 8, Numbers 1 & 2
June - December, 2015

CHINA'S ENGAGEMENT IN AFRICA: AN ANALYTICAL LITERATURE REVIEW

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Abstract

The Chinese expansion of its economic prowess to African continent became a contemporary phenomenon in development literature. This is as a result of China's liberalized economy that has been impacting all other economies of the world particularly that of developing countries in Africa through enormous trade and investment channel. Thus, its engagement with Africa is mostly underscored by her increasing needs to secure resources to sustain its economic development. On this premise, attempts are made by researchers and those in authorities to evaluate the benefits and the dangers inherent in their renewed relationship. Specifically, the main aim of this paper was to carry out a systematic literature review on China's rapidly growing economic relations with Africa, especially in the areas that have mostly generated arguments like trade and Foreign Direct Investment (FDI). Therefore, a conscious effort was made to indiscriminately inculcate many relevant literatures in order to furnish the readers with diverse and balanced view on Sino-Africa studies. In the review, we observed that due to methodological limitations, empirical evidences that buttress many of the views on Sino-Africa relations are scarce; instead, conjectures have become strong both in academia and among the media. Hence, this has led to results and conclusions that are frequently generalized to many, if not all, of African countries. Therefore, we hope that China-Africa future studies will engage more econometric techniques that will give convincing result to reflect what the fact says and offer path for further research.

Keywords: China, Africa, Trade, FDI, Labour and Politics

1. INTRODUCTION

In the world over, trade has been noted to be a catalyst and a spinning engine for growth and development. This notion has been critically engraved in export led growth hypothesis (ELGH) by many authors (Tyler, 1981; Thornton, 1997; Maneschiöld, 2008; Dreger & Herzer, 2013). The role of export to improve the growth potential of a country indeed occupies a conspicuous stage in development literature. Hence, consequent upon these laudable growth implications of international trade, most countries of the world have at one time or the other embarked on export promotion and increased openness particularly in this era of liberalization. With liberalization, the world have been witnessing the emergence of China in the last three decades as the second largest global economy following her change from a centrally planned economic system to a more "market-oriented economy" (Ajakaiye, 2006 p. 2).

Thus, the emergence of China from a poor developing country to one of the global economy to reckon with has gained the attention and admiration of many developed and developing countries particularly in Africa (Renard, 2011). Hence, China's liberalized economy have been impacting all other economies of the world particularly that of developing countries through enormous trade and investment channel. African countries on the other hand have been witnessing considerable improvement in economic growth performance which varies significantly over time and in various countries particularly in countries that are endowed with natural resources. Most recently, China's expansion of its economic prowess to African continent became a contemporary phenomenon in development literature, with attempts from researchers and those in authorities to evaluate the benefits and the dangers inherent in their renewed relationship (Hanusch, 2012). This has placed the relationship under surveillance (Ayodele & Sotola, 2014; Hanusch, 2012) and, has received divided attention in recent years. As for the optimists, China's presence improved GDP and prices of exports in global market and overall Africa economies (Renard, 2011; De Grauwe, Romain & Piccillo, 2012). While others are curious about China's motives and its implications for Africa's development, particularly, as its needs to secure resources to sustain its economy increases (Taylor, 2006; Bing & Ceccoli, 2013; Tull, 2006; Alden, 2005). In this regard, Ado & Su (2014), noted that due to methodological limitations, empirical evidences that buttress many of the views on Sino-Africa relations are still scarce; instead, conjectures have become strong both in academia and among the media. Therefore, these have led to results and conclusions that are frequently generalized to many, if not all, of African countries. While these realities are still contestable regarding the potential benefits of the trade-investment and other related linkages that Africa stands to gain from partnering with China. African countries have (Renard, 2011) continued to embrace China as a model for development as well as an alternative to her traditional trade and investment partners. Indeed, these admixtures of the good and the bad feelings on the evidences of China-Africa interaction have raised many unanswered or partly answered questions such as: what are the pull factors that predict the flow of trade and investment from China to Africa and vice versa?

Is it win-win or win-lose relationship?; and what are the likely political undertone? With most studies suggesting possible policy measures that could facilitate a more formidable and increased gains from the China-Africa bilateral relations.

2. METHODS

This qualitative analytical literature review follows the reporting standards as suggested in the PRISMA statement (see PRISMA Checklist attached and the American Psychological Association (APA) 1994 & 2009). In APA (1994 & 2009), literature review should describe, compare and evaluate major issues in the articles cited. The scope of the study is from 2000-2014 (15 years). The choice of the period of the study is basically underscored by China's dynamic interest in Africa from the late 1990s. In 2015, we search ProQuest, EBSCOhost, Web of Science and Google Scholar data bases for publications relating to China and Africa studies published from January 2000 to December 2014. Modify search was used to get full text and Boolean/Phrase 'AND' for agreement and 'OR' for comparison studies were used to limit studies to China-Africa and exclude the non-English publications.

2.1. Study selection and Data extraction

All identified citations were export/save into the EndNote X7 software for organization and deletion of identified duplicates. Unpublished articles are not considered in this review. The publications were selected based on a collective agreement between two independent researchers. In order to avoid been bias in our selection, the selected publications were categorized based on main findings of the authors, conclusions drawn, data used, and methods. The issues raised and methods influence the authors' conclusion on the selection of publications.

2.2. Discussion

Given the novelty of the growing presence of Chinese engagement in Africa, a systematic literature review has rarely been carried. This study is among the pioneer systematic literature review of the inferences made on China-Africa relations. It is evident from this study that most of the results on China-Africa relations lack rigorous econometric micro-sector specific analyses. Rather they are based on qualitative macro study with limited case studies. Another observation we noted is that most of the studies on Sino-Africa are published in low ranking journals which are not accessible in standard databases. Also, it was observed that Sino-Africa studies were prevalent among Africa and Asian researchers, this we attribute to the novelty of the topic, therefore more time is required to measure the impacts. Classification of our discussions was based on Lasswell (1977) viewpoint on research. Lasswell adopted the questioning research technique of "who says what?, to whom?, in what channel?, and with what effect?". This will assist our monotonous research of selected controversies in the literature.

2.3. Method used to assess and select relevant publications

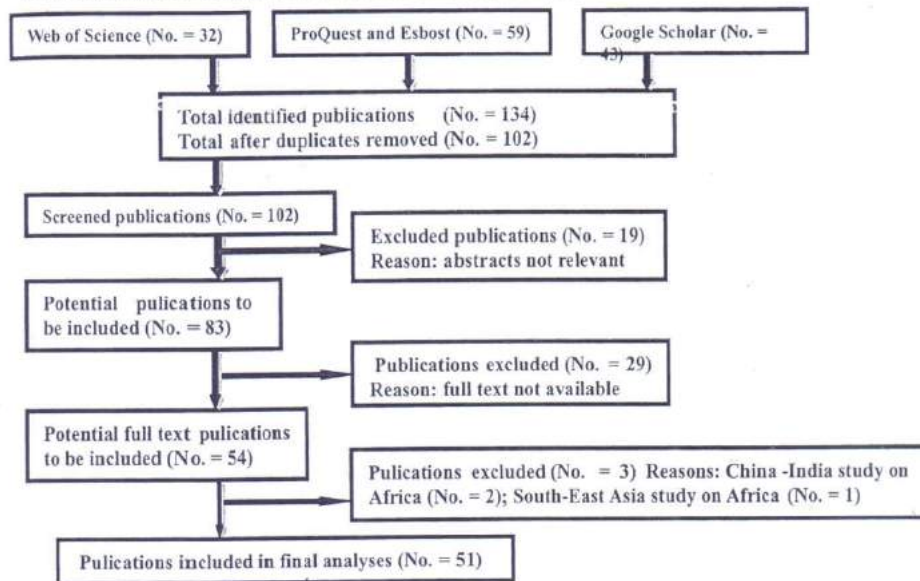


Figure 1: Flowchart of studies

3. ANALYSIS

3.1. The Pull Factors for China to Africa and Vice Versa

In this regard, Oyejide, Bankole & Adewuyi (2009) investigated China's rising profile on Africa trade pattern from 1990 to 2007. Their result revealed that China exports varieties of cheap manufactured to Africa's large markets and also, led to an increase in demand for Africa's natural resources exports. Hanusch (2012); De Grauwe, Romain & Piccillo (2012); Devadason & Chandrian (2014) asserted that trade and FDI dynamics could be beneficial for both China and Africa with China benefiting in two folds or ways which are; assessing the needed raw materials for its economic growth and also conquering Africa's new less competitive markets while Africa could benefit in technology spillover and poverty alleviation. Moreover, China's success as a developing country in achieving rapid economic growth makes it an attractive and credible business partner for African countries that follow similar development trajectories. In country-specific empirical study, Adewuyi, Alarudeen, & Kareem (2010) findings among other things revealed that over time, the intensity of China's export to Nigeria has increased, while the intensity of Nigeria's export to China has decreased, being that, the level of tariff in China promotes trade with Nigeria, while the level of tariff in Nigeria hinders trade with China. Also, the population (size) of China and Nigeri a plays an important role in enhancing trade relations in the two countries.

More specifically, Aguilar & Goldstein (2009) analyzed China-Angola engagements, the second largest exporter of oil in Africa and the third China's largest trading partner. They noted that the Asian tiger is emerging as the marginal actors in the exploitation business as their relations with unstable economies in Africa increases. Though, they pose no threat to the Angolan entrepreneurs and jobs as they have been financing and giving technical support, investing in the war torn country infrastructure, agriculture, giving of unconditional aid with some long-term benefits and objectives. However, Bräutigam (2009) observed that China's uses its concessional financial funding given to Africa to penetrate and have unlimited access to its raw materials and lucrative markets. Contrarily, Broich & Szirmai (2014) and Kaplinsky & Morris (2009) emphasized China provides political and economic supports for Africa. This supports however, is limited to deployment of show piece infrastructural projects like roads, dam, government building, schools, health care, and stadium to specific countries where it has long-term economic interest, without the willingness to encouraged local development or the improvement of Africa's industrial and competitive capacity (Jauch, 2011; Zafar, 2007 and Giovannetti & Sanfilippo, 2009). On the other hand, Alabi, Babatunde & Ogunkola (2011) China-Nigeria FDI study (1997-2007) indicated that Chinese FDI is more predominant in natural resources or extractive sector, telecommunication and the manufacturing sectors; while the influx of cheap affordable Chinese produce and import enhances Nigerians welfare.

Specifically, Wang (2010), analyzed the major determinants of Chinese outward FDI to Africa from 2002 to 2007. The result revealed that the need for energy and natural resources are the major determinant of Chinese FDI into Africa. 11 of all the Africa countries that are non-resources base lack China's investment while all others have been witnessing Chinese infrastructural development. Giovannetti & Sanfilippo (2009), recognized the fact that trade and FDIs from China are not evenly spread across Africa. With the exception of few countries like Nigeria, Angola and Sudan whose major export is crude oil. In the case of South Africa, the influx of Chinese affects them the most, in the sense that, they are one of the major importers of China's manufactured goods (Kaplinsky & Morris, 2009; Edward & Jenkins, 2014). Broich & Szirmai (2014) compared both the West and Chinese FDI in Africa and agreed that the Western FDI is market seeking in the service sector only, but both Western and China's FDI are resource seeking in the extractive industry, while the Chinese FDI is market seeking in the small and medium scale manufacturing industries that are labour-intensive (Gu, 2009). This China's market seeking FDI have many textile industries locked up in South Africa, Swaziland, Kenya, Madagascar, Lesotho and Botswana and Ghana where job lost was recorded (Zafar, 2007).

It is instructive to note that contrary to the findings above, Ancharaz (2009) examined the same scenario with respect to Mauritius clothing and textile firms and finds that China's penetration of its hinterland with its attendant consequences of heated competition has led to restructuring and reassembling of the entire textile industry which

invariably lead to change in the product profile. Indeed, it is glaring from the empirical evidence in the foregoing review that the nature and the direction of the impacts of Sino-Africa relations vary (Kaplinsky & Morris, 2009) from one African country to another depending on the general economic structures of the country in question. Moreover, Yin (2009) cautioned on the issue of over-generalizing the findings and conclusions of specific case studies or selected countries in Sino-Africa relations as it may not be too relevant or applicable to what the fact says. Broich & Szirmai (2014) dissuaded from the general theme by taking caution against treating Africa as a 'monolithic entity' noting that African countries economies, social and political structures are heterogeneous and complex in nature. The question of 'what is the pull-factor' is answered in Gu (2009), survey of private enterprises in Africa as "commercial opportunities" while the push-factors are;

- i. Access to local Markets, ii. Domestic markets competition; iii. Transfer abroad of excessive domestic production capability; iv. Entry into new foreign markets via exports from host; v. Taking advantage of African regional or international trade agreements; vi. Access to raw materials; vii. Diversify risks; viii. Financial incentives provided by the government; ix. Acquire advanced technology and skills... p.577.

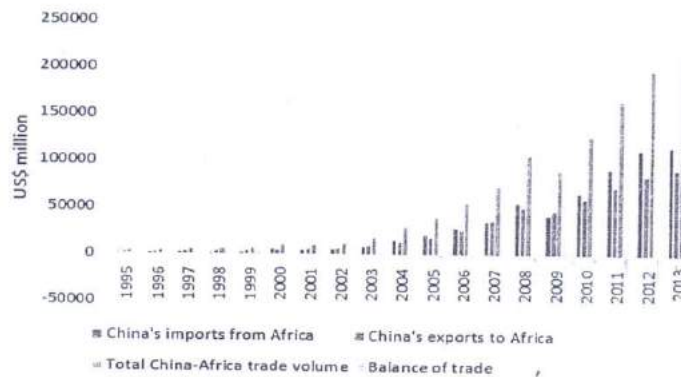
It is evident from the foregoing that the pull-factor/push-factor for China's investment in Africa is similar to that of the West (Hanusch, 2012).

3.2. China-Africa Relations: Win-Lose or Win-Win

The China-Africa win-win protagonist, Devadason & Chandrian (2014); Ayodele & Sofola (2014); Yin & Vaschetto (2011); Wu & Cheng (2010); Giovannetti & Sanfilippo (2009); Aguilar & Goldstein (2009); Kaplinsky & Morris (2009); Gu (2009); Ajakaiye (2006); Renaud (2011); Shen (2013); Broich & Szirmai (2014); De Grauwe, Romain & Piccillo (2012); Kaplinsky (2013), argued that China-Africa relations has been beneficial and mutually favorable. They explained that despite the imbalances in terms of trade, Africa benefits from China penetration in terms of inflow of FDI, rise in the GDP of the resource endowed countries, development of both social and economic infrastructure, foreign aid, granting of unconditional loans, additional revenue accrued from trade, which are boost to Africa economic development. Their conclusions reveals that China is not 'exploiting', 'cheating' or competing with Africa but rather Africa should be less dependent, diversify their economies and redefine its relationship with China in order to maximize the potential benefits.

In addition, Renard (2011), Kaplinsky & Morris (2009) and De Grauwe, Houssa & Piccillo (2012) wrote that China's impact has been felt in the area of employment, increase in African total exports, investments in risky political terrain and in sectors where their Western partners term as unsustainable. Wu & Cheng (2010), in support of China-Africa win-win arguments said that for Africa to benefits and reduce her poverty level; there is need for Africa to learn from the developmental policies, pattern and practices of China as reflected in Hanusch (2012), empirical study where Chinese investment in Africa reduces

poverty. In support, Oyejide et al., (2009) believed that the recent Africa's growth performance is attributed to unusual quest for African natural resources by China. Since 1992, Chinese imports in Africa grows at 18 per cent average on annual rate, placing China as third importer of manufactures in 2007 after United States and Germany, (Giovannetti & Sanfilippo, 2009) and presently, the most important for several individual African countries (South Africa, Egypt, Nigeria, and Algeria are the major Chinese exports destination), and the entire continent, (Broich & Szirmai, 2014). Similarly, the global financial crisis saw China as a major economic player in Africa as against the USA with trade of US\$1b to over US \$200b in 2013 (as reflected in figure 2) and projected US\$300 by 2015.



According to Kaplinsky & Morris (2009) and Renard (2011), Africa is the largest recipient of Chinese FDI. In 2008 during the global financial crisis, Chinese FDI to Africa witnessed an unprecedented increase (see figure 3 & 4) and the 'Go-global strategy' saw Chinese increase FDI in the continent (Alden, 2012), with significant variation in private and government FDI, (Shen, 2013). Furthermore, the 'Go-global' China's strategy where they enjoy economies of scale, reduction in tariff, coupled with the strong competitive and comparative advantage in production of some light manufactured goods has put them on an upper edge against Africa. Therefore, China's presence in Sub-Saharan Africa (SSA) is to resent the orthodoxy Africa historical links with the Northern, and bring to the continent the frantically needed capital (Kaplinsky & Morris, 2009).

Figure 3: China Outward FDI Flows to Africa

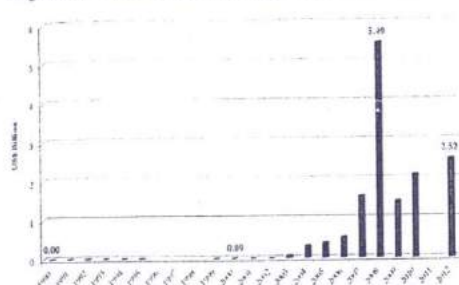
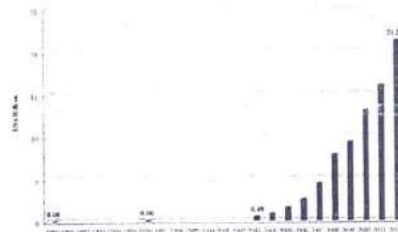


Figure 4: China Outward FDI Stock in Africa



Source: Adopted from Broich & Szirmai (2014).

Also, Kaplinsky & Morris (2009) concluded that FDI inflows into SSA from China can be positive or negative depending on the development policy put in place by the host economies. This policy will turn the threat posed by Chinese entrance into developmental opportunities and infrastructural needs and industrialization. In corroboration, Gu (2009 p.581) envisaged the perceptions of Africans and their expectations on the benefits to be realized from China's Private Enterprises FDI in terms of the possibility of inclusion in the 'global manufacturing value chain' is very high. Therefore, Gu advised the Chinese Private Enterprises relocating to Africa to provide opportunities by transferring technologies and skills to local producers, in order to enhance their value-added access to global value chains. Likewise, Africa should maximize this advantage of Chinese FDI and appended interest in Africa to negotiate for the incorporation of Africa in the Chinese firms global value chains.

Similarly, within the framework of the Beijing Summit of Forum on China-Africa Cooperation (FOCAC), China-African strategic relations have deepened. Thus, the focus of China in African is clearly wide, diverse, encompassing and beneficial to most African countries. Furthermore, China is a member of United Nations Security Council, and African countries find them as a necessary ally to aid their cause. Consequently, China policy of non-interference and non-conditionality has adhered China's love into many African leaders mind and this has led to more trade relation with China and deviation from the West (Broich & Szirmai, 2014).

While the win-lose China-Africa antagonists, Cheru & Obi (2011); Tull (2006); Alden (2007); Moyo (2012); Sanfilippo (2010); Taylor (2006, 2014); Bing & Ceccoli (2013); Oyejide et al., (2009); Edward & Jenkins (2014); Zafar (2007) and Eisenmen (2012) gave their opinions on Ado & Su, (2014) question on the sustainability of the benefits of Africa cooperating with China. They answer that the relationship will only have short-run benefits which are too risky and do not project the long-run development agenda of the Africa economies. To them, China is likely to create the problem of 'Dutch Disease', (Zafar,

2007), due to excessive demand of oil and energy from the continent and the resultant impact of boom in commodities prices. In contrast, Kaplinsky (2013) argued that boom in commodities prices induced by China will promote more equal patterns of growth depending on the ability of African leaders to promote effective linkages.

In support, Eisenman (2012) argued that on aggregate level, resource endowed African countries where few elites benefits from accrue of resources exported tend to gain in terms of trade with China. While the non-resources countries on the other hand face destabilizing political consequences and trade deficits. Renard (2011) and Ayodele & Sotola (2014), suggested that the resource endowed countries should look inward and invest in development of their nations in order to enjoy the long-term impacts of the commodities boom. Furthermore, Eisenman (2012) noted that, local producers pay heavy taxes to government while China through the help of corrupt government agencies avoids such taxes. Therefore, Africa manufactured goods becomes more costly and sometimes not affordable by the poor consumers. To Giovannetti & Sanfilippo (2009), Schott (2008) and Edward & Jenkins (2014), the proliferation of low-cost manufactures from China into African markets has reduce regional trade amongst African countries, leading to crowding-out of non-Chinese products. Other negative effects ranges from the closure of some local firms due to their lack of ability to compete with their Chinese counterparts; and insufficient backward-forward linkages as a result of some Chinese firm exporting labours and inputs and setting up and running their own shopping plazas (Alabi et al., 2011). In contrast, Gu (2009) revealed that Chinese private firms tend to compete with each other in Africa rather than the foreign or local African producers. Gu wrote that "there are weak linkages between Chinese firms and local African firms and this limits the success of technology transfers and business know-how" p.576. Noting further that, lack of mutual information, language barrier, cultural differences and different working practices are impediments to business partnership between the Chinese and Africans. While Renard (2011), noted that Chinese success is attributed to strict political and economic decision and the fact that experience is difficult to transfer. Alabi, et al. (2011) noted further that the African government shares in the blame due to the fact that contracts are awarded to Chinese companies at the expense of local contractors. Ayodele & Sofola (2014) summarized China-Africa gainer or loser with four conditions which are; ...

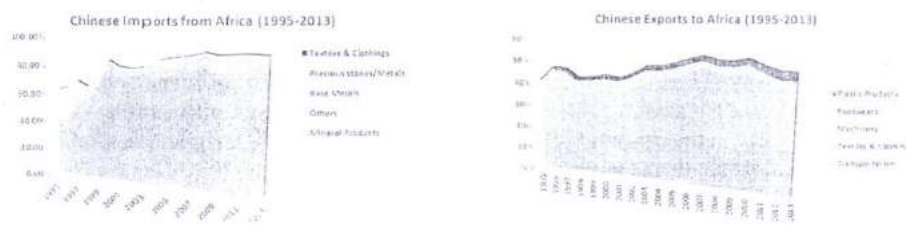
i. When African country exports a product that China imports, then such country stands to gain; ii. an African country which imports a product that China exports may gain to the extent that expanding Chinese exports are associated with falling prices; iii. African country which exports similar products as China may suffer related trade losses due to falling export prices in the third markets; iv. When African country imports similar products with China, then such African country is likely to suffer related trade losses. This is so because the country will witness significant import competition in the third markets which may be associated with increase in prices, and, hence reduce consumers' welfare" ... (p13).

As a result of these conditions, China-Africa trade relationship may have destabilizing effect on some African countries and may retard them in the era of colonialism where they export raw materials to the traditional trading partners in exchange for imports manufactured goods. With the conclusion that China's trade pattern with Africa are based on powerful market dynamics that was created partially by government policies and they will continue to face resistance among some Africans (Oyejide et al., 2009).

3.3. China-Africa Relations Consequences

Most of the results on China-African relations embarked on by the African Economic Research Consortiums (AERC) on Asian Drivers have a combination of complementary and competitive consequences, which can be either direct or indirect in nature (Ajakaiye, 2006). Although, the direct impacts (Zafar, 2007) are easy to measure while the indirect are obscure and requires disaggregate data. The direct consequence includes China's role of locating Special Economic Zones (SEZs) in Africa in order to promote structural transformation (Broich & Szirmai, 2014; Bräutigam & Xiaoyang, 2011) that will have a sustainable impact in the continent. Other direct benefits include creation of local employment in countries where Chinese enterprises are located particularly in countries like Angola, Nigeria and the Democratic Republic of Congo (DRC). In this regard, Ado & Su (2014) stated that the dispute encircling the China-Africa relations and the consequences are difficult to determine particularly when using aggregate data. Apart from the fact that it does not reflect the true picture of 54 African heterogeneous economies trade pattern with China, it portrays a balanced China-Africa trade results (see figure 2). Consequently, (Schiere & Walkenhorst, 2010; Eisenman, 2012) the intensification of China with Africa varies on 'country by country' level, and its predominantly determined by relative factor endowments of resources, labour and capital (Bouare, 2008), especially as Africa has condensed about 80 percent of its exports (as figure 5 depicts) to natural resources (Renard, 2011).

Figure 5: China's Imports and Exports to Africa



Source: Authors' computation from Tralac (2015).

Ajakaiye (2006) submitted that, over time, the indirect consequences may often be detrimental and have (Eisenman, 2012) destabilizing political consequences to countries without resources who record large trade deficits with China and this reflect the dichotomous nature of Sino-Africa relations. Furthermore, where Africa and China vie, (Giovannetti & Sanfilippo, 2009; Kaplinsky & Morris, 2009; Edward & Jenkins, 2014) increased China's 'diversified' exports automatically means decreased African domestic productions as evidenced in their study of Mauritius, Ghana, Kenya, Swaziland and South Africa. Hence, Kaplinsky & Morris (2009); Zafar (2007); ; , concluded that China's relation with Africa is dependent on deals made at high political levels, profiting the few elites and satisfying its ambition for enlarged geopolitical influence.

3.4. China's Role in Africa Politics

China's role in Africa polity has been a hotly debated issue in contemporary development literature, with several counter arguments to justify China's increasing role in the continent. On this premise, Kaplinsky & Morris (2009) classified the dynamics of China relations with Africa in modern era into three. The first was in 1955 following the Bandung conference of Non-Aligned Nations which was stated as a "solidarity for the Third World" driven purposely by China's ideological rivalry with the former Solvent Union (USSR). During this era, China lends and gave political, moral, limited military assistant and aid to the de-colonizing Africa. Furthermore, China as a member of the United Nations Security Council, (Yin & Vaschetto, 2011) become a valuable ally to African countries and allows many African countries to access an intermediate voice with which to make their concerns heard. The second phase is from the middle of the 1990's, when African countries started witnessing the appended Chinese presence and economic interest in its continent which was largely through trade and investment by Chinese State Owned Enterprises (SOEs) to sustain its rapid industrialization and economic growth (Jauch, 2011).

By contrast, Wenping (2007) in Broich & Szirmai (2014) argued that China's main presence in Africa is "*political*" and not "*energy and resource seeking*", in the sense that China is trying to promote 'One China Policy', and the proof is China's (Beijing) disassociation with countries relating with Taiwan. Nonetheless, China's diplomatic relations with Africa was intensified during this phase under the auspices of China-Africa Cooperation Forum (FOCAC), which began in the year 2000 (Brugge ter, 2012; Zafar, 2007) to showcase China as a political friend and an attractive economic partner, (Alden, 2012) particularly in the cancellation of 168 African countries debts, signing a number of unconditional loans, aid and contracts in African countries (Jauch, 2011). In the Beijing trade-investment summit of 2006, (Bing & Ceccoli, 2013 p.120), it defines the principles and extent of its policy in Africa with a policy statement "*China's African Policy*", (Broich & Szirmai, 2014); and emphasize its stand to adheres to the principles of non-interference in political and internal affairs, peaceful co-existence, mutual respect, and international development agenda for the African countries, (State Council, Beijing, 2014; Fijałkowski, 2011). The third phase is the emergence of small and middle private sector Chinese enterprises and firms in Africa (Kaplinsky & Morris, 2009).

These last two phases has not been free of criticism, (De Grauwe et al., 2012; Oyejide et al., 2009; Cheru & Obi, 2012; Tull, 2006; Moyo, 2012), with the notion that these phases are part of the strategy China has for Africa who lacks strategy for China, (Kaplinsky & Morris, 2009). Similarly, Alden (2012) accused China of using divide and rule tactics in order to gain Africa's sympathy and access to their resources and sometimes sow seeds of discontent in heterogeneous African states (Eisenman, 2012). Zafar (2007) and Alden (2006) stated that China has been known to support elite regimes, autocratic and corrupt African leaders such as in Zimbabwe, Equatorial Guinea, Guinea, Sudan and Ethiopia; and this poses threat to quality governance.

Though, China recently becomes more pragmatic by considering international decisions, through its efforts to control the crisis in Sudan, while also reducing its assistance to the Zimbabwean government (Ado & Su, 2014). Alden (2012, 2006) critiqued that Beijing over time will face more contrary pressure and intervene in Africa domestic affairs either as peace broker or as done in Sudan and Zimbabwe. Alden pondered on the naivety of China in believing they will not fall out of Africa's favour like the Westerns. The claim that China seems to have difficulty maneuvering in countries more democratic than itself, can be confirm from Gu (2009) survey of Chinese private investors in Africa where they attest that "unlike many Western investors, corruption, crime and bureaucracy did not seem to disturb Chinese investors" p.578. However, Fijałkowski (2011) critiqued that although Chinese engagement with Africa has mixed consequences especially in the aggressive pursuit of its economic policies, nonetheless, evidence shows that China serves as a new competitor for the USA and Europe in Africa. Moreover, China is toiling the Western path in the exploitation of the continent.

Despite the criticism, and the Western strategic approach to under-run China's economic relations with Africa, China's advocates and African leaders still embrace China as their new economic development partner (Broich & Szirmai, 2014; Alden, 2012). Moreover, the Chinese principle of no 'string attached' to trade-FDI-aid has made African leaders to replace 'Washington Consensus' of the West with China's 'FOCAC Consensus' (Jauch, 2011). All these, have deepen the China-Africa intensification and made African leaders adhere to China as against the Western strict financing methods like the International Monetary Fund (IMF) and the World Bank Structural Adjustment Programs (SAPs) imposed since 1980s (Renard, 2011; Jauch, 2011). In support, Zafar (2007. p.103) cited Sahr Johnny, Sierra Leone ambassador to Beijing as saying...

"We like Chinese investment because we have one meeting, we discuss what they want to do, and they just do it..., there is no bench-mark or preconditions..."

In this regard, Shinn (2007, p.56) stated that "Africans are generally quick to criticize the conditionality of the West and praise the Chinese". In the same vein, in 2006 the President of Angola, Jose Eduardo Dos Santos commented positively on its 'perfect

marriage' and 'constructive cooperation' with China through 'oil for infrastructure' mutual benefits known as the 'Angola mode' (Bing & Ceccoli, 2013). However, Alden (2012.p.706) was quick to point out that the highly propagated 'Angola Mode' is not the typical characteristics of the Chinese investments in all the African states, citing example of the Zambia's copper mines and the South Africa's iron ore, Nigeria, DRC, Gabon and Zimbabwe; and question the sustainability of replicating the 'Angola mode' in other parts of the continent as well as the validity of its 'cherished principle of non-interference'.

In corroboration, African leaders like, Thabo Mbeki, and Jacob Zuma, the former and the present President of South Africa have a contrary opinion on China. To Mbeki, 'China cannot develop Africa; rather Africa will develop and determine her development pattern' (Zafar, 2007). For Zuma "Sino-Africa relations is the replica of Western colonial exploitation and deliberate underdevelopment of the continent through exporting Africa's raw material in exchange for imports manufactured goods" (Bing & Ceccoli, 2013 p.107).

3.5. China Labour Practices in Africa

Beijing is also been criticized disputably for harbouring colonial tendencies towards Africa (Mohan, 2013; Cheru & Obi, 2011; Jauch, 2011) through importation of their own workforce, poor labour practices, tensed working environment, hostile attitudes towards local employees, poor working condition, labor exploitation, industrial negligence, workers pay are below the minimum wage due to limited bargaining power, thus depriving the host economies of the benefits of job creation and lack of regard for rule of law. In describing China's engagement in Africa, Bergesen (2008) termed it as 'surgical colonialism' and the return of 'mercantilist' (Mohan, 2013 p.1263). Bergesen argued that unlike the Western neo-colonization where the entire African factors of production are solely owned by the West; the Chinese differs through the practice of 'national self-exploitation' and 'imperialism' as a result of their habit of importing cheap labour and buying off local elites.

Zafar (2007), Alden (2012) and Oyeranti et al., (2011) are convinced that, it is the typical characteristics of the Chinese firms to rely on their cheap labour for most of the construction work in Africa to avoid investing in training and education of African labours. Similarly, the Chinese imports equipment and materials use in most African states from home (Bräutigam, 2009), invariably they trade in goods and labour which is a form of re-terrorizing the Africa States. Over and above this, Gu (2009) survey results showed that Chinese private enterprises in Nigeria, Madagascar and Ghana uses over 90 percent local workers for production with the exception of managerial positions.

To Bing & Ceccoli (2013), the Chinese environmental and worker safety consequences are part of the initial sacrifice and huge price to pay for any economic development model. Although the allegations that China employs prison labour in projects construction and other (Ado & Su, 2014) human right issues have not been critically answered in any literature. Eisenman (2012) stated that inadequate labour law in Africa

encourages the imports of cheap labour and domestic industries raw materials from China. Therefore, (Jauch, 2011 p.55) "African government must strengthen bargaining power, ensure that investors manufactures, transfer skill and technology and negotiate and sign agreements on the ratio of labor imports from China (Bräutigam & Xiaoyang, 2011).

These patterns of engagements between China-Africa made Cheru & Obi (2011), to forecast that the results will lead to modern colonization. Jauch (2011) inferred and viewed Sino-Africa relations as a new trend towards the process of re-colonization of the continent as a result of lopsided relations. On the question of China's soft power on Africa, Taylor (2006) feared that China is using 'soft power tactics' to internationalize its doings, morals, ideology, and position towards Africa. Similarly, Tull (2006) and Barma & Ratner (2006) argued that illiberal capitalism drives China's massive return to Africa; and China leverages its "mercantilist strength" on Africa. Contrary to this conventional wisdom, Fijałkowski (2011, p.29) argued that certainly China do not intend to 'colonize, subjugate, or enslave' Africa; stating further that Beijing's help in the continent is symbolic and lack colonial legacy as against Africa's traditional partners. Noting that China's lead role in assisting Africa during their anti-colonial struggle in the 1950s should help douse colonial and imperialist view about China (Bing & Ceccoli, 2013).

Fijałkowski (2011) and Bing & Ceccoli (2013) are convinced that China and Africa had both experienced military conquest, and are both aiming at the same goal of development. They asserted that China's political 'soft power' instrument in Africa is a development model based on mutual agreement, political equality and sovereignty for Africans to escape from natural resources supplier to independent economic statehood. In addition, Mohan (2013) cautioned political commentators who argue that 'Chinese do not integrate' and therefore 'are exploitative' as this could mean exonerating the colonial Westerns and tagging the Chinese as 'worse' than the traditional exploiters. In defense of China, Gu (2009) attributed 'not integrating nature' of the Chinese in Africa to cultural and communication barrier, and possibly working environment.

In conclusion, Cheru & Obi (2011) opined that with the absence of visionary African leadership, concerted and well-thought-out African action, the relationship with the emerging Southern power could turn out to be colonialism by invitation. Hence, Gu (2009) and Eisenman (2012) emphasized institutional role in enacting rules and regulations to be adhere to for sustainability of the relationship.

4. CONCLUDING REMARKS

Specifically the main aim of this paper was to carry out a systematic literature review on China's rapidly growing economic relations with Africa. A conscious effort was made to indiscriminately inculcate many relevant literatures in order to furnish the readers with diverse and balanced view on Sino-Africa relations. It is worth mentioning that while China-Africa relations may be too soon to measure considering the period of engagement especially

when comparing the benefits with the Africa's traditional partners. Furthermore, we observed that due to methodological limitations, empirical evidences that buttress many of the views on Sino-Africa relations are scarce; instead, conjectures have become strong both in academia and among the media. Hence, this has led to results and conclusions that are frequently generalized to many of African countries. Therefore, we hope that China-Africa future studies will engage more econometrics techniques that will give convincing result, reflect what the fact says and offer path for further research.

Also, China's historical steps in industrialization of Africa internal processes, the success or failure of its efforts have never been conceptualized in most of the existing literatures. In addition, the controversy surrounding flows of people especially labour needs rigorous research. Further area that needs inter-disciplinary approach and in-depth research is the impacts of Sino-Africa relations on environment, socio-economic wellbeing, and micro-sector specific studies.

In addition, the arguments surrounding China-Africa engagements will continue as long as their pattern of relations particularly trade, follows the static 'Ricardian and factors endowments theory'. Therefore, if Africans fails to diversify their economies they may remain on the peripheral level of dependency theory, which is detrimental to their long-run goal of industrialization and economic development. Likewise, Chinese FDI and aid in the continent will equally witness increase in relation to resources trade flow as China's economy improves. By and large, Sino-Africa engagement could be of mixed benefits depending on the policies, rules and regulations put in place by the African countries to the Chinese investors.

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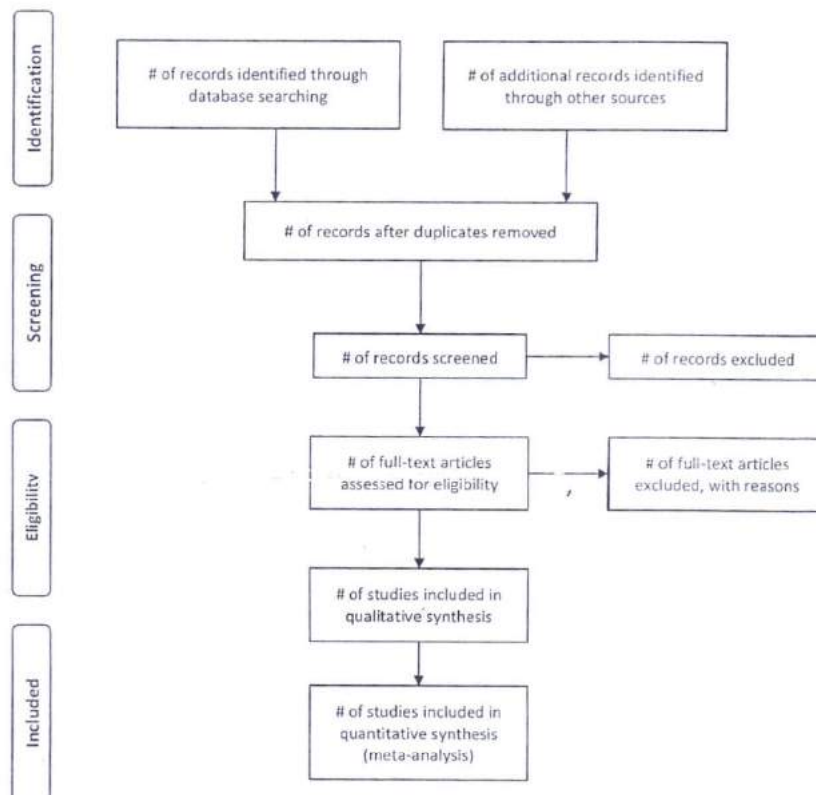
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PRISMA 2009 Flow Diagram



From: Moher D, Liberati A, Tetzlaff J, Altman DG, The PRISMA Group (2009). Preferred Reporting Items for Systematic Reviews and Meta-Analyses: The PRISMA Statement. PLoS Med 6(6): e1000097. doi:10.1371/journal.pmed1000097

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