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Emerging Questions on the Shifting Sino-Africa Relations: 'Win-Win' or 'Win-Lose'?

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Abstract

Orthodox scholarly discourse on the theme of Sino-Africa relations has tended to accentuate the efficacy of the South-South alternative to development, chiefly as the vehicle for mitigating the developing countries' peripheral status in the global order. Literature has accused the North-South economic relations of favouring the former. In search of justice and fair play in international political and economic relations, most African countries started 'looking east', mainly towards China. Notwithstanding China's long solidarity with Africa throughout the liberation struggle, and its contribution to the continent through foreign direct investment, infrastructure development, trade and bilateral aid, some of its recent engagements with the continent have raised questions of neo-colonialism tantamount to those in the North-South relations. The new Sino-Africa relations are being viewed by many as mainly driven by China's hunger for Africa's natural resources and the search for international markets for its manufactures, and business opportunities for its multinational corporations. The article argues that the new Sino-Africa economic relations, although still largely 'win-win', could soon plunge into 'win-lose' relations in favour of China.

Key Words: Global justice; China; Africa; resources; market; neo-colonialism

Résumé

Le discours savant orthodoxe sur le thème des relations sino-africaines avait tendance à accentuer l'efficacité de l'alternative Sud-Sud pour le développement, principalement en tant que véhicule permettant d'atténuer le statut périphérique des pays en développement dans l'ordre mondial. La littérature a accusé les relations économiques Nord-Sud de favoriser le Nord. La plupart des pays africains, en quête de justice et d'équité dans les relations

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politiques et économiques internationales, ont commencé à « regarder à l'est », principalement vers la Chine. Nonobstant la solidarité longtemps exprimée par la Chine à l'égard de l'Afrique à travers les luttes de libération et sa contribution dans le continent à travers l'investissement étranger direct, le développement des infrastructures, le commerce et l'aide bilatérale, certains de ses récents engagements avec le continent ont poussé certains à soulever la question du néo-colonialisme par comparaison avec les relations Nord-Sud. Les nouvelles relations sino-africaines sont considérées par beaucoup comme principalement animées par la soif de la Chine de tirer meilleur parti des ressources naturelles de l'Afrique et par sa recherche de marchés internationaux pour ses manufactures, ainsi que les opportunités d'affaires pour ses multinationales. Cet article soutient que les nouvelles relations économiques sino-africaines, bien que toujours largement « gagnant-gagnant », pourraient bientôt devenir des relations « gagnant-perdant » en faveur de la Chine.

Mots clés : justice mondiale, Chine; Afrique; ressources; marché; néo-colonialisme

Introduction

Sino-Africa relations are a subset of the much broader South-South relations which have assumed increased prominence over the last six decades. Following many years of exploitation, economic injustice and underdevelopment, many African countries started looking east, particularly towards China, India, the Asian Dragons (also called Asian Tigers), namely Hong Kong, Singapore, South Korea and Taiwan, and other countries such as the Soviet Union with whom they seemed to have common interests in the global economic relations. Further, the world's top emerging economies – Brazil, Russia, India, China and South Africa (BRICS) – have also moved to strengthen ties among themselves and other developing countries to present a new bloc capable of challenging injustices within the South-South relations and in the North-South relations.

In the backdrop of three decades of a robust economy, China has emerged as the single member of the BRICS with more economic interaction with Africa. Over this period, China has emerged as one of the most powerful industrial powers on the surface of the planet. The Chinese economy has grown relentlessly for more than thirty years with an astonishing 9.3 per cent gross domestic product (GDP) growth rate between 1989 and 2011, relatively defying the global recession in the process (Jones 2013:6). Consequently, in 2010, China overtook Japan to become the second biggest economy in the world after the United States. In order to fuel the robust industrial sector at home and sustain its growth streak, China has had to abash its inward-looking policy for a *Zouchuqu* (Going Out) policy, primarily designed to gain access to global resources and markets. Africa, a continent endowed with an array of scarce natural resources, such as oils and gases, minerals, and virgin forests, was identified by China as particularly suited for its economic objectives. The Forum on China-Africa Cooperation (FOCAC) summit held in Beijing from 4 to 5 November 2006, which attracted 48 African countries and 42 African heads of state (Chun 2009) demonstrated the popularity of China's foreign policy, at least among the elites, in Africa. Today, China boasts of several trade-related deals with most African governments that have culminated in Chinese multinational corporations' involvement in the extractive industry, construction, agriculture, manufacturing and commerce on the continent. Through these and other economic activities, China has been feeding its resource-hungry industries with raw materials, while accessing African markets for its goods and services.

However, although Sino-Africa contact spaces such as the FOCAC, the Strategic Partnership and others are said to emphasise 'win-win' diplomatic relations, they could subtly serve as Trojan horses of China's resource and marketing interests in Africa, thereby raising the question of neo-colonialism in the relations. In any case, economic relations can have different possible results on partners. For instance, they can be 'win-win', 'win-lose', 'lose-win', or even 'lose-lose'. A 'lose-lose' economic relationship cannot be entered into knowingly or consensually because it is against principle of profit maximisation. Rational economic partners seek to maximise their share of benefits from their relationships. However, this is only possible where there is equality and absence of the exploitation or dominance motive. The object is a 'win-win' relationship. In its absence, either the first or the second party gains or loses more than the other. This creates either a 'win-lose' or 'lose-win' situation. With respect to international economic relations, the North-South relations were deemed 'win-lose', hence the fostering of 'win-win' relations through South-South cooperation of which the Sino-Africa relations are a part.

This article attempts to assess whether Africa's economic relations with China are truly 'win-win' or 'win-lose' instead. In this case, the author commences by ruling out the 'lose-win' possibility on the grounds of the hare-tortoise growth comparison between China and Africa over the last couple of decades. The article attempts to evoke further debate on the questions of equality and justice in global economic relations. It deliberately exposes some of the emerging challenges to the enhancement of equal economic relations in Sino-Africa relations in the wake of the changing global dynamics. In the final analysis, the objective is, therefore, to arouse a broader and deeper discourse on South-South relations in general.

Theoretical Perspectives

In order to competently deal with the questions emerging in the relations between China and Africa, one needs the guidance of theory. Historically, academic platforms in Africa have theorised on how economic relations between developed and developing countries have tended to tilt in favour of the former. Some of the most serious arguments on the subject have taken the twist of the neo-Marxist dependency theories popularised by the United Nations think-tank, the Economic Commission for Latin American Countries (ECLAC) and some individual scholars in the late 1950s. Andre Gunder Frank, Fernando Henrique Cardoso, Enzo Faletto, Walter Rodney and Kwame Nkrumah are among those who took a frontline position on the subject. The theory which was initially introduced as an explanation and remedy for the chronic underdevelopment and backwardness of Latin American countries due to their unequal relations with the United States, later dominated international academic platforms.

For more than five decades, the African, Asian and Latin American scholarship has investigated and written on how Europe had undermined development on their continents through slave trade, colonialism and later on, neo-colonialism. As Walter Rodney put it:

> Western Europe and Africa had a relationship which ensured the transfer of wealth from Africa to Europe. The transfer was possible only after trade became truly international; and that takes one back to the fifteenth century when Africa and Europe were drawn into common relations for the first time – along with Asia and the Americas. The developed and underdeveloped parts of the present capitalist section of the world have been in continuous contact for four and a half centuries. The contention here is that over that period Africa helped to develop Western Europe in the same proportion as Western Europe helped to under develop Africa (Rodney 1972:84-85).

The starting point was that global inequalities were caused by an unfair economic system arising from resource extractive colonialism and imperialism that the Northern colonial powers had imposed upon the developing regions of Africa, Asia and Latin America. They argue that much of the economic underdevelopment found in developing countries was a direct result of these countries' connection to the economic systems of the industrialised countries of the North. They contend further that the economic resources of the developing countries were being drained northwards to the metropolises of the capitalist world, thereby making the African, Asian and Latin American countries dependent states.

Kwame Nkrumah's version of 'Neo-colonialism' and Andre Gunder Frank's 'Metropolis-Satellite' thesis of North-South associations form the appropriate theoretical perspective for analysing the Sino-Africa relations. Nkrumah identifies the larger part of the developing world as historically entrenched in an exploitative association with the North. In his view, a state can be said to be a neo-colonialist or client state if it is independent *de jure* and dependent *de facto* (Nkrumah 1968: 1-7). By this, he contends that even after independence, former colonies in Africa, Asia and Latin America, remain under the control of the capitalist-imperialist forces composed of the developed countries in the North. He argues that these capitalist forces, in search of international capital, continue to exert control over their former territories through international trade, aid and investment policies tailored to sustain the movement of resources from the developing counties. As sources of raw materials, and markets for the developed countries, the developing countries had thus become client states.

After World War II, countries in the North reformed the capitalist-imperialist system culminating, firstly, in the elimination of the 'old-fashioned' system of operating colonies exclusively answerable to one capitalist-imperialist state and, secondly, in the replacement of 'national' imperialism by 'collective' imperialism (Nkrumah 1968:2). By national imperialism, Nkrumah refers to the form of imperialism in which one country exerts its control over its colonies. However, imperialism becomes collective when one former colony is at the mercy of the many countries controlling the capitalist-imperialist system. Although, China played a key role in the independence of African states by challenging the global capitalist system, questions have now emerged as to whether its current scramble, with the North, for Africa's resources does not add to the continent's 'collective imperialism'. Since collective imperialism also creates a conducive environment for what Nkrumah considers as the 'Trojan horses' of neo-colonialism (Biney 2012), any analysis of Sino-Africa relations requires one to go beyond tradition and the naked eye. While multinational corporations (MNCs), bilateral and multilateral aid institutions, and overseas technical advisors usually play an important developmental role in developing countries, they can also be used as Trojan horses tasked with the responsibility of blurring and extending neo-colonial influences across the developing world. Nkrumah argues that 'internationalisation' or 'syndication' helped the United States to fulfil two *sin qua non* conditions of expansion into the European market and the developing world market, and of militarising its economy on the pretext of increased global threats (Nkrumah 1968: 6). However, as Ali Mazrui suggests, globalisation can have positive and negative effects. It is negative when it allows itself to be handmaiden to ruthless capitalism … deepens the divide between the haves and have-nots (Mazrui 2004 cited in Biney 2012).

Closely related to Kwame Nkrumah's version of 'Neo-colonialism', is Andre Gunder Frank's 'Metropolis-Satellite' thesis. Concerned with the underdevelopment of Latin American countries in the aftermath of independence, Frank analyses their association with the developed economies in the North. He begins with an argument that the underdevelopment of Latin American countries (at the time) was the result of its centuries-long participation in the process of world capitalist development (Frank 1966: 7) which had led to their massive de-capitalisation. He sees the global capitalist system as a chain of constellations of *metropoles* and satellites … [running all the way] from its metropolitan centre in Europe or the Unites States to the furthest outpost in the Latin countryside (Ibid: 6). In the development of underdevelopment in Chile, Frank noted that Chile had become increasingly marked by the economic, social, and political structure of satellite underdevelopment (Ibid: 7). He sees the increased polarisation of developing countries' economic, social and political structures as effective means for continued satellisation. Therefore, one should understand the term, 'development of underdevelopment' as a connotation of the progression of satellisation and its damaging effects on Latin America and the rest of the developing world. The resource-based relations Africa has had with China over the last decade, which promotes exportation of raw materials and importation of finished products with very little, if any, technological transfer, and the indiscriminate adoption of the Chinese development model, may not only have a de-capitalisation effect, but could also make the continent China-dependent over the long-term. Notwithstanding other schools of thought on the current state of Sino-Africa relations, what is incontestable is the fact that in the wake of China's economic revolution, fostered by the *zouchuqu*, Chinese capitalism is in the fast lane.

Although the common understanding has been that the developing countries would only succeed in overcoming underdevelopment and poverty by fundamentally restructuring the unequal exchange characterising the North-South linkages through the promotion of South-South relations, new evidence is beginning to suggest the emergence of neo-colonialism within the broad South-South relations and, particularly, in the Sino-Africa relations. Results of a survey conducted in Zambia in 2009, show that on aggregate, 41.8 per cent of the Zambian respondents 'agree' or 'strongly agree' that China practices neo-colonialism in African countries (Hess and Aidoo cited in Bello et al: 2014: 244-273).

Empirical Perspective

Since the end of the civil war, the Chinese industrial sector has had increased appetite for raw materials. Consequently, China's role in international trade has been on the increase. Notwithstanding the chequered growth experiences of the decades proceeding the dawn of the new millennium, China's share of world merchandise imports has wheeled from a measly 0.6 per cent in 1948 to 10.6 per cent in 2013.

Sino-Africa trade has been rising throughout the last decade. The period 1999-2009 recorded an average of 28 per cent growth in Sino-Africa trade, measured by monetary value adjusted for inflation. This period also saw the Sino-Africa trade value increase twelve-fold (Haugen 2011:157-176). Consequently, in 2009, Africa became China's number one trade partner (PRC, 2013:3). The 2010-2013 period has particularly seen an upswing in Sino-Africa trade volume from US$157 billion in 2010 to US$160 billion in 2011 and US$200 billion in 2013 (Antony 2013:134-149). However, an examination of what China exports to Africa and what Africa exports to China shows that, on one hand, manufactured goods, machinery, textiles and clothing and chemicals dominated China's exports to Africa. Alden shows that in 2005, machinery and transport equipment, and manufactures alone accounted for the greatest chunk of China's exports to Africa at US$8 billion and more than US$16 billion, respectively.

In value terms, by 2013, China's imports/exports aggregate had swollen to US$4, 159 billion. This represented US$1,950 billion imports value and US$2,209 billion exports value. In the same year, China became the world's biggest merchandise trader followed by the United States whose imports and exports totalled US$3,909 billion (WTO 2014:15-25). Table 1 shows the world's leading exporters and importers of merchandise in 2013.

Table 1: Leading Exporters and Importers in World Merchandise Trade in 2013

Exporters	Value (In Billion US$)	Importers	Value (In Billion US$)
China	2209	United States	2329
United States	1580	China	1950
Germany	1453	Germany	1189
Japan	715	Japan	833
Netherlands	672	France	681
France	580	United Kingdom	655
Republic of Korea	560	Hong Kong	622
United Kingdom	542	Netherlands	590

Source: Based on WTO, International Trade Statistics, 2014

As shown in Table 1, China is not only the world's top exporter of merchandise but also the second biggest importer after the United States. With respect to Africa, Sino-Africa trade totalled US$222 billion in 2014, an upsurge of 6 per cent from 2013. This represented US$117 billion and US$105 billion worth of imports and exports, respectively (Standard Bank 2015). In the same year (2014), China recorded a US$12.5 billion trade deficit in its trade with Africa.

Although some scholars, such as Ayodele and Sotola (2014), have correctly argued that China's trade deficit with Africa is not due to its oil imports from the continent on account of the fact that only 9 per cent of China's oil imports come from the continent, it is important to note also that China's resource imports from Africa are not restricted to oil. Trade data show that although China's export value to Africa has risen geometrically from below US$10 billion in 2000 to over US$60 billion in 2010, Africa's export volume to China in non-oil and mining products, on the other hand, has only grown numerically during the same period. This means that although Africa exports more than it imports from China, its exports are generally raw materials (Hanusch 2012: 492-516). For instance, in 2010, mineral commodities accounted for about 64 per cent of Africa's exports to China (Alves, 2013: 207-226).This means that commodities dominate Africa's exports to China while finished goods dominate China's exports to Africa. Table 2 shows the distribution of China's direct investment in Africa, by sector, at the end of 2011.

Table 2: Distribution of China's Direct Investment in Africa by the End of 2011

Agriculture-related	2.5%
Wholesale and Retail	2.7%
Science, Technology and Geological Prospecting	4.1%
Leasing and Business Services	5.0%
Manufacturing	15.3%
Construction	16.4%
Mining	30.6%
Finance	19.5%
Real Estate	1.1%
Others	2.8%

**Source:* Based on Figures by PRC, Information Office of the State Council White Paper, 2013.

When the data in Table 2 is aggregated, the resource sector dominates China's direct investment in Africa. For example, mining (30.6 per cent), construction (16.4 per cent) and science, technology and geological prospecting (4.1 per cent), which are all resource-related investments, account for 51.1 per cent of China's direct investment to the continent. Even the remaining sectors are in many ways connected to resources. It is also important to note that resource-rich African countries play a major role in China's trade deficit. For instance, although Sub-Saharan Africa has maintained a trade deficit with China, fewer than a half of the countries (notably Angola, the Democratic Republic of Congo, Zambia, and Equatorial Guinea) have a trade surplus with China (IMF 2013: 5). Precisely, 17 out of 53 African countries enjoy mounting surpluses owing to their rich oil and mineral endowments, while the majority face widening deficits due to their enormous importation of Chinese goods (Muyakwa 2009: 7).

Although there have been some policy initiatives, such as China's preferential tariff scheme, aimed at promoting the export of finished goods from Africa to China, very little has been achieved owing to a number of factors. Firstly, although the number of African product lines granted zero-tariff status had increased from 454 in 2007 to 478 in 2009, resource products such as copper, cobalt and marble constituted the bulk of the tariff-free import value (Eisenman 2012: 793-810 and Van Beek 2012: 389-408). And, secondly, African countries' non-resource exports to China such as textiles, cotton, salt and sulphur, raw hides and skins, coffee and tea, and fish and crustaceans could not compete on the Chinese market (Ibid).Thirdly, China's carnivorous appetite for Africa's commodities has not given the continent a chance to diversify into manufacturing. Currently, most resource-rich countries on the continent can easily be diagnosed with 'Dutch Disease', a term coined by *The Economist* magazine in the 1970s to describe the appreciation of the Dutch currency and a reduction in its non-oil exports after it discovered oil and gas deposits in the North Sea in the 1960s. Therefore, the current Sino-Africa trade pattern is perfectly orienting the continent towards long-term dependency on China on both sides of the trade equation.

Another important interesting pattern in Sino-Africa relations is that whereas China's exports to Africa are distributed widely, its imports from the continent are highly concentrated in a few resource-rich countries. In 2009, data showed that while China obtained $ 100 million from exports of goods to 38 African countries, it spent the same amount on imports from only 23 African countries (Haugen 2011: 157-176). On the one hand, about 60 per cent of China's exports are destined for six African countries and are distributed as follows: South Africa (21 per cent), Egypt (12 per cent), Nigeria (10 per cent), Algeria (7 per cent), Morocco (6 per cent) and Benin (5 per cent) (AfDB 2011: 14 and Van de Looy cited in Biggeri and Sanfilippo 2009: 31-54). On the other hand, an enormous 70 per cent of China's imports from Africa come from only four countries, namely: Angola (34 per cent), South Africa (20 per cent), Sudan (11 per cent) and Republic of Congo (8 per cent). Whereas manufactures dominate the exports to populous African countries, fuels and mining products, and agricultural products constituted the lion's share of China's imports from resource-rich African countries. These data indicate that the search for markets and raw materials are the two foremost factors in China's relations with Africa. Therefore, although African countries could benefit from the intensification of relations with China, their fortunes are restricted by their low no-commodity exports to China. Meanwhile, since Africa provides the raw materials and the market for Chinese manufactures, China's benefits from this relationship is two-fold (Grauwe et al 2012: 15-45), and, therefore, superior.

A continent struggling with escalating unemployment rate and abject poverty, Africa's efforts towards value-addition and diversification, which have in the past been blamed on the colonial past, may equally be blamed on this emerging neo-colonialist economic order in Sino-Africa relations. This argument is echoed by Henning Melber, who contends that Sino-Africa relations were a reproduction of the classical skewed pattern: raw materials on the one side (Africa) and (value-added) manufactured goods on the other (China). From this perspective, it is clear that the coming of new players, like China, has not brought about any significant transformation to the traditional global relations (Melber 2013:437-450) anchored on exploitation, territorial inequality and injustice.

However, the continent's infrastructural development has particularly benefited from Chinese aid and the resources-for-infrastructure (RFI), also called infrastructure-for-resources (IFR) or the 'Angola Mode' agreements. Economic data show that by 2010, about 2,180 Chinese companies had spread their commercial interests across Africa while nearly 8,000 development projects, financed by China, were underway. These projects were mainly in areas of investment that have long gestation periods such as electricity power stations, ports, airports, freeways (Li et al 2012, cited in Melber 2013:437-450), among others. From the year 2000, the RFI deals, have been on the rise. In this arrangement, resource-rich African countries need not worry about their lack of creditworthiness as China is willing to construct the infrastructure in exchange for natural resources. Using the Export and Import (ExIm) Bank of China, China has applied this mode to finance infrastructure development in some African countries: US$4.5 billion to Angola in 2004 in exchange for oil supplies; US$3 billion to Gabon in 2006 in exchange for manganese exploration rights and US$9 billion to the DRC in 2007/08 in exchange for cobalt mining development (Alden and Alves 2009: 9). Other deals were the US$4 billion oil-drilling license signed between China and Nigeria in 2006. In return, Beijing was to construct a rail system and some power stations for Nigeria (BBC 2006 cited in Alden and Alves 2009: 9). Although some Chinese sources of official trade and investment data, such as the Information Office of the Sate Council and Xinhua, have tended to show how much Africa was benefiting from these Chinese infrastructure deals and foreign direct investment (FDI), they have not adequately presented the other side of the coin. By the same token, most of the sources in the North have been unable to adequately appreciate the benefits accruing to African countries from Chinese investments.

An analysis of China's resources-based infrastructure projects in Africa should, as a starting point, acknowledge the fact that the 'Angola Mode' provides African countries with a no-traditional method of infrastructure development financing. Unlike the North's traditional development financing mode in which African countries borrow hard cash to be repaid in monetary form over a period of time, in the 'Angola Mode', Chinese multinationals construct the needed infrastructure using the African country's resources as security. Once a deal has been signed, China is allowed to import particular resources while helping the exporting country to develop its key infrastructure, usually power plants, transport and telecommunications, which they would have problems to finance with their own means or the highly tied traditional multilateral loans. It is also important to recall that China itself utilised this mode of development financing to acquire industrial technology after its civil war. For instance, in 1977, China agreed a deal with Japan in which the latter was to supply high technology to be repaid using coal and oil (Arase cited in Norfund 2011:5). The following year, China acquired a US$10 billion credit line from Japan to finance the importation of heavy industrial equipment. China was to pay by exporting US$10 billion worth of coal and oil to Japan (Takamine 2006:7 cited in Norfund 2011:5). China's reformist leader, Deng Xiaoping, one of the protagonists of this mode of financing once remarked:

> In order to hasten the exploration of our coal and petroleum, it is possible that on the condition of equality and mutual benefit, and in accordance with accepted practices of international trade such as deferred and instalment payments, we may sign long-term contracts with foreign countries and fix several production sites where they will supply complete sets of modern

> equipment required by us, and we will pay for them with the coal and oil we produce (Norfund 2011:4-5).

Many African countries, especially those coming out of decades of internal turmoil such as Angola and Democratic Republic of Congo have found this mode of financing suited for accelerating their post-war reconstruction. Table 3 is a summary of some of the African countries that have benefited from China's RFI deals in recent years.

Table 3: Some Major Resource-based Infrastructure Projects in Africa Financed by China, 2001-2007

Country	Year of Commitment	Resources Involved	Construction Project
Congo Rep.	2001	Oil	Congo River Dam
Sudan	2001	Oil	El-Gaili Power Station
Angola	2004	Oil	Power, Transport, ICT and Water Portions
Nigeria	2005	Oil	Power Turbine Plant at Papalanto
Guinea	2006	Bauxite	Souapiti Dam Project
Gabon	2006	Iron	Belinga Oil Reserve
Zimbabwe	2006	Chromium	New Coal Mines and Power Stations
Ghana	2007	Cocoa	Bui Dam Hydro-Power Project

Source: Extract from C. Cassel et al, Building African Infrastructure with Chinese Money, 2010

However, although Africa has become China's second largest overseas construction project contract market and the fourth largest investment destination (PRC 2013:3), most of these engagements are seemingly designed in a way that does not yield African countries long-term economic advantages.

Firstly, the RFI mode that China and African countries have gone into is not adequately anchored on technological transfer to the latter. Although China used this mode of financing to transfer industrial technology from Japan and other countries, most African countries seem more interested in seeing the erection of the actual physical infrastructure than in acquiring appropriate Chinese technologies for their own sustained economic development.

At the same time, there is very little China is doing to help African countries develop appropriate technology that can be used by the micro, small and medium enterprises, and by small-scale farmers involved in productive activities. Despite African governments signing infrastructure and investment deals with China, most African entrepreneurs still lack basic financial capacity, and small-scale and intermediate technologies to enable them participate meaningfully in adding value to their own countries' resources. Instead, it is the Chinese multinationals that have dominated infrastructure development and the extractive industry. As Alves (2013: 207-226) puts it, the expansion of the RFI loans to Africa enables Beijing to promote the expansion of its construction companies abroad while accessing strategic resources. Although Chinese-financed projects in Africa employ Chinese machinery, this does not necessarily amount to technological transfer because no local capacities are being developed to enable Africans acquire skills and technologies. The peripheral role played by Africans in Chinese projects adds to the problem. Most of the technical jobs in these projects are performed by Chinese workers while African workers perform mainly those functions that do not enable them acquire critical skills such as loading and offloading, pushing of wheel-barrows and preparation of food at project sites. Consequently, Africa is bound to remain dependent on China in the long-term. This scenario suits China in both the short term and the long term as it is assured of a sustained dominant economic position on the continent.

Secondly, the degree of involvement of Chinese firms in Africa's infrastructure projects also signals the revolving nature of the Chinese project finances. The bidding process for the resource-backed infrastructure projects is devoid of transparency and competitiveness, with Chinese firms deliberately favoured. For example, in 2006, when the ExIm Bank extended a US$4 billion loan to Angola for its post-war reconstruction in exchange for 10,000 barrels of oil per day, only 30 per cent of Angolan firms could be allowed to tender for the works because of a condition in the deal which required that 70 per cent of the works be set aside for Chinese firms (Naidu et al 2009:87-115). This is not only a technological transfer barrier, but an effective method of curtailing African enterprises from growing to a level where they could one day challenge the positions held by the Chinese multinationals on the continent. This view is shared by the famous international scholar and author on Sino-Africa relations, Chris Alden, who, *inter alia*, writes:

> As an 'economic competitor', China is engaged in a short-term 'resource grab' which, like some Western counterparts, takes little account of local needs and concerns, whether developmental, environmental or with respect to issues of human rights. Coupled with Chinese manufacturing and trade wherewithal, this approach suggests that African development gains are being challenged, if not undermined by Chinese competitiveness (Alden 2007: 6).

Since most of the development projects are signed confidentially between the Chinese government officials and African leaders, Melber (2013: 437-450) is correct in suggesting that in most cases, resource deals between China and African countries tend to benefit China and its business accomplices at the expense of the ordinary people in the resource-rich countries, who continue to live under abject poverty and deprivation despite their proximity to precious resources. In Zambia, government security wings announced in mid-May 2015 that they were investigating the leakage of a state security document following a revelation by the country's leading independent newspaper, *The Post*, on 9 May, that the Zambian government had concealed a US$ 192 million loan it secretly contracted from China to improve state security (*The Post,* 2015). Zambia's President, Edgar Lungu, reacted by stating that government could not reveal how many guns it intended to buy. However, while the elite in the country's power structures could benefit from such secretive deals, the poor masses are left to endure the resulting socioeconomic deprivation.

Alden (2007) suggests that China in Africa could also be categorised as a 'coloniser'. The interpretation of China as a 'coloniser' is based on the view that China's new engagement with Africa is a part of a long-term strategy aimed at displacing the traditional northern orientation of the continent by forging partnerships with African elites under the rubric of South-South solidarity (Ibid). Alden further argues that once China has successfully dominated the continent, it could use its position to put African countries under Chinese control. In its new foreign policy, China has placed the need for raw materials to feed its buoyant industrial sector while searching for international markets. This particular set-up, could rightly qualify some African states as China's client states, thereby justifying the neo-colonial howls in the beleaguered current Sino-Africa economic relations. This is in spite of China not having operated any colony.

Notwithstanding the above descriptions of China, Alden (2007) argues that, China could also be understood as Africa's 'development partner'. Alden explains 'China as a development partner' in terms of the various efforts by China itself, driven by its economic needs, to share with Africa and other developing countries its development experiences. In this respect, China has used bilateral aid to support Africa's social and economic sectors. A continent whose underdevelopment has been blamed on its century-long exploitative interaction with Europe, Africa has found solace in Chinese investments and development aid. As at 2013, over 2,000 Chinese enterprises of varying sizes and economic persuasions were doing business in 50 African countries and regions (PRC 2013:5). They are mostly involved in mining, oil and gas exploration, construction, agriculture, manufacturing, resource processing, finance, commercial logistics and real estate (Ibid). Recent years have particularly seen an expansion of Sino-Africa educational and cultural exchanges, the emergence of new business areas like financial services, increased investments in agriculture and recalibrated long-term supply agreements for infrastructure to cover new social offsets not seen in deals hitherto (Alden and Large 2011: 21-38).

Knotty Questions in Sino-Africa Relations

In a nutshell, the question of whether the new Sino-Africa relations are 'win-win' or 'win-lose' can be summed up by a condensed reflection on the following issues, some of which have already been introduced in the preceding text.

Twenty-first century Scramble for Africa

Parallel to the eighteenth century scramble for Africa by Europe, there is a widely-held view that China is seeking relations with African countries purely to exploit the abundant resources of the continent and feed its firms back home with the raw materials they need, with little or no interest in Africa's development. With this demand for raw materials in the home industry engaging into overdrive, China needs swift methods of material acquisition. Consequently, while the North will expect hard currency from its investments or loans, China is happy to accept alternative methods of payment (Teunissen 2005, cited in Gasser 2010: 5-6) such as the Angola Mode. China is extending RFI loans to African countries in order to expand its overseas construction companies and connect them to key resources (Alves 2013: 207-226).

A notable difference between the twenty-first century Scramble for Africa and the earlier version is said to be the former's adoption of a 'soft power' strategy. The term 'soft power' was coined by Joseph Nye in 1990 when explaining the reducing importance of the use of 'hard (coercive) power' in the post-Cold War global order and the rising importance of no-coercive tools of foreign policy ... to get others to want what you want (Nye 2009: 160, cited in Fijalkowski 2011: 223-232). In Joseph Nye's view, the attractiveness of a country's culture, political ideals and policies are important non-coercive (or soft power) instruments that it can use to obtain what it wants from the new international political and economic order (Zaharna et al 2014:9). Through the use of 'soft power', it is possible for a country to exploit another through attraction. China has been accused of using this strategy to sign resource deals with African countries. Its foreign policy principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in another country's internal affairs, equality and mutual benefit, and peaceful co-existence, which appeal to most African countries may be considered as 'soft power' crafts. The rapid establishment of Confucius institutions across Africa by the Chinese Government has also been viewed as a 'soft power' strategy by some commentators. Zaharna et al (2014:9) see the rapid spread of the Confucius institutes, whose mission is the spreading of Chinese language and culture, as parallel to the cultural diplomacy of the North whose institutions such as the British Council, and the American Centre have, for decades, been used in promoting their countries' cultures and languages overseas.At the end of 2013, there were 440 Confucius institutes in 115 countries and regions in the world (Ibid).

As noted earlier, while the Angola Mode has helped some African countries in developing their infrastructure and in creating employment, concern has arisen because not only is the true value of such resources not well known, but the continent is also losing the opportunity for value addition. This is making it difficult for the African countries to attain the far-fetched dream of economic diversification, leaving them as enclaves for raw materials, facing limited opportunities for sustained development (Kamwanga and Koyi 2009:7), leading to deindustrialisation, rising unemployment and poverty while sustaining Africa's dependency on China. With regard to the new scramble for Africa, it has been observed that:

> Africa is still paramountly an uncharted continent economically, and the withdrawal of the colonial rulers from political control is interpreted as a signal for the descent of the international monopolies upon the continent's natural resources. This is the new scramble for Africa, under the guise of aid and with the consent and even welcome of young, inexperienced States. It can be even more deadly for Africa than the first carve-up, as it is supported by more concentrated interests, wielding vastly greater power and influence over governments and international organisations (Nkrumah 1965:109).

As observed by Geda et al (2013:118-138), another problem with the boom in Africa's commodity exports to China is that of the 'Dutch Disease'. With the economic rent from commodity exports, driven by the Chinese demand, the manufacturing sector in Africa faces stagnation. Ironically, African countries have resorted to importing from China, what they should be producing locally. The slowdown in China's growth rate in the last couple of months, has already began to reduce the export earnings and causing currency depreciation in many resource-rich African countries.

Unfair Trade Practices

Some Chinese nationals stand accused of taking over certain economic lines preserved for the capital-starved and self-employment seeking locals in market stands. The selling of cheap Chinese goods has exacerbated the situation, thereby pushing out of business even those locals who had been allocated stands. Local producers of basic goods such as handicrafts, fruits and vegetables are facing stiff completion from Chinese nationals selling low-quality-low-price goods. Zambia's former Trade, Commerce and Industry Minister, Dipak Patel once pointed out this dilemma: 'Does Zambia need Chinese investors who sell shoes, clothes, food, chickens, eggs in our markets when the indigenous people can (several, cited in Alden 2009: 49). However, this problem has not only been reported in Zambia. Elsewhere, it has been reported that China's competition on the African market is having some harmful effects on certain sectors. For example, in countries such as Lesotho, Madagascar, Kenya and South Africa, sectors like clothing have faced very stiff competition from cheap Chinese products to the extent that some local firms have had to scale-down their operations and lay off some workers (Warmerdam and Van Dijk 2013: 271-295).

Another emerging problem is that of reported dumping effects by China. Surely, as China continues in its economic top gear, and as the African countries continue to rely heavily on commodity exports, the new problem of South-South dumping is likely to take a more serious toll on the continent's industrial sector. Already, the cheap Chinese goods could be killing the nascent industry on the continent. This problem is not limited to consumer goods alone because Africa has also become an end user of both simple and sophisticated Chinese technology. Although, one of the most deeply-rooted attitudes towards technology in industrial countries is the belief that technologies are value-free and transferable [and that] they are associated with values only in the ways they are utilised (Turok 1979: 88), one does not need to sleep over it. Clearly, some of the practices in Sino-Africa relations expose the weaker African economies to technological dumping effects and the nurturing of a Sino-dependency syndrome among African countries and peoples.

In countries like Zambia, Chinese investments have been accused of lacking transparency and fair-play. As an opposition leader at the time, Zambia's Michael Sata (now late), accused the Chinese of having used corruption to acquire the Chambeshi Copper Mine and the Sinazeze Coal Mine. He also accused the Zambian government of dubiously giving Chinese investors in the mining sector a generous 15-year tax exemption, and of excusing Chinese-owned mines from performing any corporate social responsibility activities (Sata 2007: 6-7) when no similar incentives were extended to local and other investors.

Labour Exploitation

China's economic operations in Africa have come into conflict with the labour movement on the continent on many frontiers. These range from poor remuneration coupled with long working hours, to hazardous work environment, and blatant abuse of workers' rights. With the increase in construction activities in Africa by Chinese firms, Alden reports the failure to substitute African workers for Chinese workers in the recent flurry of Chinese infrastructure projects across the continent, be they technicians, or un/semi-skilled labourers, is an important oversight with economic as well as political implications (2009: 45). The quest for low production costs seems to be the main motivation for this practice. The Chinese investors have, perhaps discovered that it is cheaper to pay a Chinese worker in Africa than an African worker. According to one study, Chinese labourers are paid US$1 a day in Angola (as well as receiving food and housing) versus the US$3-4 that non-Chinese companies are obliged to pay Angolan labourers (cited in Alden 2009:45). China has responded to this concern by increasing the number of Africans employed by its business firms and construction projects while complaints about low wages remain largely unattended to. In some cases, strange episodes of accidents and abuse of workers have been reported in Chinese-owned firms and projects.

Workers in Chinese-owned firms around Africa have complained of hazardous work environment and lack of occupational safety. In the DRC, Chinese mining companies have been found to violate both labour and environmental standards. In the mining region of Katanga, Chinese mines were cited for using child labour and for substandard health and safety conditions, forcing the DRC government to deport 600 Chinese nationals involved in the mining activities (Alden and Alves 2009: 18). In Zambia, similarly, Chinese-owned mines have been found culpable of endangering Zambian workers. An explosion at the munitions factory serving Chambishi (mine) in April 2005, which killed 46 Zambian workers (Alden 2009:74) is just one example.

Non-Interference

Through its non-interference policy in the affairs of other sovereign nations, China is accused of protecting totalitarian regimes and hurting human rights in Africa. In fact, some scholarly commentators hold the view that, due to this policy, China is willing to establish cordial relations with any African country regardless of its governance record. For this reason, China's presence in countries such as Sudan, Niger Delta, and its support to Zimbabwe seems to give solidarity to bad governance on the continent. Some human rights activists have cited China's relations with Sudan and Zimbabwe as examples of how far Beijing can go in propping up unpopular leaders (Campbell 2008). Posing questioning on China's commitment to the principle of non-interference, in some war-torn resource-rich parts of Africa such as South Sudan, Chinese multinationals have been accused of financing the purchase of military weapons, helicopters, vehicles and war jets for the government forces, which have been used in committing crimes against humanity (Large 2007 and Taylor 2007 cited in Obi 2013). In 2007, Zhang Guoha, an executive director at the China Nuclear International Uranium Corporation (Sino-U), was kidnapped and later released, allegedly, by the armed group, Niger Movement for Justice (MNS), on suspicion that the multinational was financing the government's military weapons used to suppress the Tuareg uprising (*The China Monitor* 2007:19 cited in Obi, 2000: 93-109). A car bomb explosion by the Movement for the Emancipation of the Niger Delta (MEND) on 29 April 2006, which coincided with Chinese President, Hu Jintao's visit to Nigeria and the granting of four oil drilling licenses to Chinese oil companies by the Nigerian government valued at US$4 billion, was followed by a statement to media houses by the rebel group demanding the immediate departure of the Chinese companies from the Niger Delta (Obi 2009:93-109). These and other similar events in other parts of Africa have cemented an opinion among some Africans that China will balk at nothing in trying to promote and protect its economic interests in Africa.

On their part, African leaders pledged to uphold peace, security, democracy, good governance, human rights, and sound economic management as conditions for sustainable development when they adopted the New Partnership for Africa's Development (NEPAD) in 2001 (NEPAD cited in Hodzi et al 2012:79-103). In view of China's reported activities on the continent, this may remain a pipe-dream.

Conclusion

Any fair comparison between North-South and Sino-Africa relations should show that, in both cases, resources have played a key role. This article argues that Sino-Africa relations have faced both good and challenging times. The period from the mid-1950s to the late 1970s, during which China actively supported the liberation struggle on the continent, reflects the very best days of 'win-win' relations between China and Africa. During this time, Africa got the support it required in its struggle for independence, while China got the continent's support on the frontier of 'One China' policy. Africa also elevated China's significance on the global stage as a spokesperson for the developing world.

However, as the article argues, the period from 2000 to date, during which Sino-Africa relations have been re-established with a refocus on a business-like contact, has endured running commentaries of a decade of divided opinion. During this period, Africa has derived economic benefits from the relationship, mostly in the form of export opportunities for its commodities, infrastructure development and foreign investment. However, Sino-Africa relations have also seen the emergence of certain neo-colonial questions requiring answers. These emanate from the unfolding social, economic and political order that points to a new pattern of exploitation in which Beijing, as a southern metropolis, is competing with the North for the resources of the African countries and for the marketing of its manufactures. On account of the evidence and arguments presented and the theories employed in this article, a conclusion is reached that the new Sino-Africa economic relations, although still largely 'win-win' at the moment, could soon plunge into 'win-lose' relations in favour of China.

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