

SINO-AFRICA RELATIONS: A CASE OF NEO-COLONIALISM?

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DECLARATION

I, William Antwi Asante, hereby declare that with the exception of duly acknowledged references, this dissertation is an original research work by me under the supervision of Dr. Ken Ahorsu. I also declare that this dissertation has not been submitted either in part or in whole for any degree elsewhere. All sources of information collected and materials used have been duly acknowledged by means of references and bibliography.

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DEDICATION

I dedicate this work to the Almighty God who has been my rock, my fortress, my deliverer, and my stronghold. I also dedicate this work to my awesome and wonderful mother and grandmother not forgetting my brothers for their undying and unflinching support and love and care throughout my entire study period. I also dedicate this work to my friends for their prayers and encouragement.

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LIST OF ABBREVIATIONS

ACID	Africa Infrastructure China Diagnostic (AICD)
ADB	African Development Bank
AfCTA	African Continental Free Trade Area
AGOA	Africa Growth and Opportunity Act
AU	African Union
CCP	Chinese Communist Party
CCPIT	China Council for International Trade Promotion
CDB	China Development Bank
CHEXIM	Export-Import Bank of China
CNOOC	China National Offshore Oil Corporation (CNOOC)
CNPC	China National Petroleum Corporation
EU	European Union
FDI	Foreign Direct Investment
FOCAC	Forum on China Africa Cooperation
GAF	Ghana Armed Forces
GUTA	Ghana Union of Traders Association
IMF	International Monetary Fund
MFA	Ministry of Foreign Affairs and Regional Integration
MOTI	Ministry of Trade and Industry
OECD	The Organization for Economic Co-operation and Development
OFDI	Official Foreign Direct Investment
PRC	People's Republic of China
ROC	Republic of China
SOEs	State-owned Enterprises
UN	United Nations
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
UNSC	United Nations Security Council

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ABSTRACT

China's official relationship with Africa dates back to the 1950s when they first met at the Bandung Conference in Indonesia. The relationship has been strengthened through increased economic activities through trade, investment and aid which has been coupled with the establishment of FOCAC in the 21st century to regularize the diplomatic and political relations and provide a common platform where all African countries can interact with their Chinese counterpart. The heightened relationship between China and Africa has caused a stir in the political, economic, media and academic circles across the globe. There are fears of neo-colonialism associated with this relationship. The study thus set out to investigate the veracity of the claim of China being a neo-colonial state. To achieve the objectives, the study employed qualitative methods by relying on data from primary and secondary sources. In identifying the target population, the purposeful sampling techniques was used and data collected through semi-structured interview guides. Using the content analysis, the study analyzed the relationship between China's trade, aid and investment with Africa with particular interest on Ghana from 2005 to 2015 through the broad framework of China's policy towards Africa. The relationship between China and Africa has increased significantly since the beginning of the 21st century. The relationship which is supposed to be grounded in south to south cooperation is rather modeled on similar north to south relations. The relationship between China and Africa provides Africa with both prospects and challenges. China's activities and interactions in Africa is best explained in the context of neo-colonialism.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The historical evolution of Sino-Africa relations is one of the great Twenty-First Century narratives. This relationship, which has developed to an unprecedented stage over the last two decades, has raised debate among scholars, political leaders, and the media alike. To them, the rise of China poses a potential challenge to the international system. The beginning of this period of unparalleled engagement was marked by the formation of the Forum on China Africa Cooperation (FOCAC) in 2000, an entity created to consolidate China-Africa relations. The main objectives of FOCAC are “Equal consultation, enhancing understanding, expanding consensus, strengthening friendship and promoting cooperation” (FOCAC, 2004). In addition to the main forum, FOCAC has established several sub-forums. These are the “China-Africa People’s Forum; China-Africa Young Leaders Forum, Ministerial Forum on China-Africa Health Cooperation; Forum on China-Africa Media Cooperation; China-Africa Poverty Reduction and Development Conference; FOCAC-Legal Forum, Forum on China-Africa Local Government Cooperation; and, China-Africa Think Tanks Forum” (FOCAC, 2004).

In the area of culture and language, the People’s Republic of China (PRC) through its Ministry of Education established the Confucius Institute in 2004 with the purpose of “providing Chinese language and cultural teaching resources and services worldwide; to support Chinese language programs at educational institutions of various types and levels in other countries” (Hanban, 2014). Currently, there are 54 Confucius Institutes located in Africa. Most of them are located in universities and colleges. In addition to the Confucius Institute, there is also the establishment of Confucius Classrooms on the continent. The number of Confucius Classrooms on the continent is 27 and can be found across the various sub-regions of the continent. The

first-ever Confucius Institute built in Africa was in 2005. It is situated in Kenya's University of Nairobi (Hanban, 2014).

Chinese involvement in Africa commenced in the 1950s. China signed bilateral agreement on trade in the late 1950s with Egypt, Algeria, Somalia, Sudan, Guinea and Morocco and this marked the beginning of modern Sino-African economic relations (Muekalia, 2004). At the Bandung Conference in Indonesia in 1955, China and Africa had their first formal meeting. The Conference intended to stimulate solidarity between Africa and Asia. This was based on the view that the economic and political challenges of Africa and Asia were comparable; thereby, providing the basis for the collaboration between Africa and Asia (Shelton, 2001). China has since established official diplomatic relations with almost all of Africa and further gone ahead to establish embassies in 44 of these countries (PRC, 2019).

Contemporarily, China is a force to reckon with in the international system. As John Mearsheimer argued in "The Tragedy of Great Power Politics", China's economy is likely to become the largest economy should it continue growing at such a rapid rate. He further argues that it is expected that China will use its wealth to modernise its military (Mearsheimer, 2001). Currently, China is the second-largest economy after the United States of America (USA). It has overtaken the likes of Japan, Great Britain, France, and Germany. China is presently Africa's leading development partner, and this is grounded on boosted trade and investment, as well as several aid programs to Africa. Since 2009, China is Africa's biggest trading partner with trade value reaching about \$170 billion. (Ighobor, 2013). FDI from China to Africa is fourth after the USA, United Kingdom, and France. China's FDI to Africa rose from \$100 million in 2003 to \$16 billion in 2011 and \$40 billion in 2016 (UNCTAD, 2018). The Chinese government committed to invest almost half of its foreign investment in Africa for the next decade. According to Panos Mourdoukoutas, Chinese firms have increased their presence in

Africa. There are more than 1,000 firms from China operating in Africa (Sun, Jayaram, & Kassiri, 2017).

According to Zeleza (2014), Africa's relationship with China is complex and controversial (Zeleza, 2014). Whereas some view the relationship as imperial, others believe it is only as a result of globalization. China-Africa relations have been described by some politicians and scholars in the West as imperial and neo-colonial (Mohan & Power, 2008). Some also see it from an Afro-Asian solidarity perspective which promotes south-south cooperation (Zeleza, 2014).

There are equally contrasting perspectives with respects to the ramifications of China in Africa. Some perspectives on this relationship are that China's association with Africa is an opportunity for growth and development in Africa. For instance, it has been argued that an increased economic interaction between China and Africa could be a treasure for Africa, especially in enterprises where Africa has a vital favorable position (Van der Wath, 2004).

The other perspectives see China's financial association with Africa as dangerous. To them, the measured China Africa trade is, to a high degree, uneven with the balance tilted in favour of China (Cisse, 2012; Guillaumont Jeanneney & Hua, 2015). China's swelling influence in Africa is what has led to China being labelled as imperial and neo-colonial (Chan-Fishel, 2007; Lumumba-Kasongo & Studies, 2011; Naidu, 2007).

1.2 Problem Statement

China has displayed an increased interest in Africa in the post-Cold War international system. China's increased presence in Africa is grounded in the growth in trade, investment, aid as well as several development programs in Africa. The foreign policy of China towards Africa has its basis on the rhetoric of equality and mutual benefit, sincerity, common development and

solidarity. These policies imply a favorable connection where both sides benefit from this increased interaction (Strauss & Saavedra, 2009). Over the past 20 years, China's policy framework for Africa has progressed quickly. It is highly driven by strategic political and economic needs, which do generate not only sufficient possibilities for the growth of Africa but also present serious difficulties for Africa (Brautigam, 2011; Zeleza, 2014).

The involvement of China in Africa has been met with both commendations and condemnations. While some believe this relationship will benefit both parties, others believe China is only in Africa to exploit her (Dollar, 2016; Hanauer & Morris, 2014). The president of Ghana, Nana Addo Danquah Akufo-Addo in his address at the 73rd United Nations General Assembly (UNGA), made a profound statement which ought to be looked at critically. He indicated that Africa is less developed and seeks to enhance its infrastructure. To him, China presents Africa with an excellent opportunity to address her developmental problems. He again stated that China does not only serve as a partner to Africa but to the developed world; therefore, stressing the importance of China in the international arena.

On the other hand, others are of the notion that the involvement of China in Africa is detrimental to the development of Africa. Studies by the International Monetary Fund (IMF) have shown that some Chinese aids have had dangerous repercussions on the rights of humans, as well as on economic development across Africa (Condon, 2012). Such attempts of compassion and kindness have not been continuously considered positive by the international community and even sometimes by the countries in need. Le Monde alleged that African Union (AU) Headquarters, which was funded and built by the Chinese, was allegedly bugged by China to enable the retrieval of information for state use (Dahir, 2018). The Chinese have since denied these allegations. There are also reports about China taking over major national assets of some African countries. China, through Star-Times, has virtually taken over the management of the Zambian National Broadcasting Corporation. China, again, has justified the intention of

taking over the Mombasa Port in Kenya (Jacques, 2019). In Ghana, the Chinese have meddled themselves in illegal mining activities which have dire consequences on the environment (Aidoo, 2016).

Given the different and diverse perspectives on China's presence and influence in Africa, there are fundamental questions that need to be answered. Two critical issues central to this study are that, is China's involvement in Africa beneficial to Africans? and is the current trend nothing more than 21st Century exploitation from yet another emerging economy? The central point of this inquiry is, thus, on the nature and implication of China Africa political and economic relations. The study analyses China's presence and actions in Africa.

1.3 Research Questions

The following questions shall be central to the present study.

- I. What is China's foreign policy towards Africa?
- II. What are the prospects for Africa in her relations with China?
- III. What are the threats and challenges Africa face in her relations with China?

1.4 Objectives of the Study

The overall objective of this research is to ascertain the main aim of China in her relations with Africa.

The specific objectives of this study are to,

- I. examine the policy drive of China towards Africa
- II. determine the prospects for Africa in her relations with China
- III. ascertain the threats and challenges that Africa faces in her relationships with China

1.5 Scope of the Study

The inquiry examines the economic and political relations between China and Africa from 2005 to 2015 after the establishment of FOCAC. The study uses but not limited to relationship between Ghana and China as a focal point.

1.6 Rationale of the Study

The relevance of this inquiry is to bring clarity to the influence of China's relation with Africa by assessing the effectiveness of China's foreign influence on the continent, particularly Ghana. The study also augments research and literature on the presence of China in Africa. The study serves as a guide to key policymakers and stakeholders concerning the foreign policy of Africa towards China.

1.7 Conceptual Framework

This section examines the concept of neo-colonialism which guides the study. Ghana's first president and anti-colonial hero, Kwame Nkrumah is credited to have coined the term. It is necessary to understand the concept of neo-colonialism to analyse whether China's relations and activities in Africa in the last few decades represent colonial engagement or not.

Neo-colonialism have been subjected to different and diverse definitions since the wave of decolonization that occurred the 1960's. Neo-colonialism in its historical terms has been used to describe the situation whereby countries in the West continued to exercise influence in their former colonies through past and present economic arrangements and cultural dominance (Antwi-Boateng, 2017).

Citing O'Connor 1970, Smith (2016, p. 76) defines neo-colonialism as "the survival of the colonial system in spite of formal recognition of political independence in emerging countries

which had become the victims of an indirect rule and subtle form of domination by political, economic, social, military and technical (forces)". Similarly, Babatola (2013) in a seminar paper described neo-colonialism as an advance stage of colonialism resulting from its existence in diverse forms; educational, cultural, industrial and technological subjugation of a past territory and the economic domination of the independent state by former colonial power in the absence of a direct presence of the military and an institutionalized political structure for the physical control and direction of the economy and the ideology of the state by a former colonizer over her liberated former colonies.

Neo-colonialism can also be described as the subtle propagation of socio-economic and political activity by former colonial rulers aimed at reinforcing capitalism, neo-liberal globalization, and cultural subjugation of their former colonies (Mentan, 2017). In a neo-colonial state, Mentan (2017) posits that the former colonizer ensures dependency - from the newly independent colonies - on the former colonizer for economic and political direction. This provides for a market structure cum capital and investment of the new state and the agenda for national development working to the advantage of the former colonizers and it is enhanced through continuous tying to the apron strings of the former colonizer in the determination of the current and future roles and relationship of the former colony in global politics and economy.

In view of the above definitions, neo-colonialism can be described as the undue subjection of former colonies and dependencies to form a new form of colonialism. Thus, neo-colonialism describes the post relationship of imperial powers to their former colonies. It is important to point out that although neo-colonial powers tend to exert their neo-colonial influence and power in their former colonies, it is not always the case. Citing the case of South Vietnam, a former colony of France, Nkrumah (1965) mentions that the United States now exerts neo-colonial control in the country. He adds that "it is possible that neo-colonial control may be

exercised by a consortium of financial interests which are not specifically identifiable with any particular State” (Nkrumah, 1965). He further cites the example of the control of the Congo by great international financial concerns as a case in point. This view is also shared by Jarrett (1996) who describes neo-colonialism as influenced wielded by foreign powers over the policy and economic trajectory of less developed states through means other than direct political control. Neo-colonialism therefore can be described as the control of less-developed countries by developed countries through indirect means. To Nkrumah (1965), “the essence of neo-colonialism is that the state which is subject to it is, in theory, independent and has all the outward trappings of international sovereignty. In reality its economic system and thus its political policy is directed from outside”.

A venture into the concept of neo-colonialism cannot be divorced from imperialism. It is therefore important to understand what imperialism is. Nkrumah argues that neo-colonialism is the worst form of imperialism noting that it means power without responsibility for those who practice it whiles constituting exploitation without redress for those suffering from it.

Galtung (1971) defines imperialism as one way where the Center nation wield power over the periphery nation in a two-nation world to bring about a condition of disharmony of interest between them. Galtung (1971) provides three different forms of relations to describe imperialism. To him, imperialism is a relation between a Center and a Periphery so that;

- I. “there is harmony of interest between the center in the Center nation and the center in the Periphery nation,
- II. there is more disharmony of interest within the Periphery nation than within the Center nations,
- III. there is disharmony of interest between the periphery in the Centre nation and the periphery in the Periphery nation” (Galtung, 1971, p. 83)

According to Young (2015), imperialism operates from the centre and it's a state policy developed for financial and ideological reasons. He adds that imperialism involves the theory, practice and attitudes of a dominant metropolitan centre which rules a distant territory. Unlike colonialism that involves taking physical control of the colonized country, imperialism refers to the political and monetary dominance, either formally or informally.

Unlike the other continents, neo-colonialism remains prevalent in Africa. Neo-colonialism has certain features. To start with, the neo-colonialist country imports raw materials, resources and unprocessed or primary goods from the colonized region at low prices while exporting manufactured and finished valuable goods and daily necessities to the colonized countries or regions (Junbo & Frasher, 2014). Here, the neo-colonialist state could be limited to exclusively serve as the market for the manufactured products of the neo-colonialist power (Antwi-Boateng, 2017). In international markets, the fixed global division of labour has the tendency of maintaining the superiority of the colonial power over the colonized region. Thus, the colonized region or country tends to be the supplier of raw materials and the consumer of the neo-colonialist's manufactured products. This forces a poor and backward economy in the colonized country (Junbo & Frasher, 2014).

Closely related to the above is the feature of competition for goods and services. In the view of Junbo and Frasher (2014), the products of the colonized countries are unable to compete with similar goods from the colonial powers in the domestic market of the colonized state. This is because the neo-colonial power enjoys competitive price and quality advantage and this tend to have a negative effect on traditional or sometimes infant and fledgling industries of the colonized countries. In the absence of options, the colonized countries embrace the flood of products from the colonizing power into the former's economy (Junbo & Frasher, 2014).

Also, neo-colonial powers mostly have economic and financial controls in major key areas, institutions and industries of the colonized regions or countries resulting from political control, economic exploitation or cultural perpetration (Junbo & Frasheri, 2014). Thus, the national economy is in reality under the control of the colonial powers. In the neo-colonialist state, the neo-colonialist power may have control of governmental policies through mediums like financial assistance or contributions towards administrative costs of the neo-colonialist state. According to Nkrumah (1965), civil servants may be provided to steer policy and have monetary control over foreign exchange by imposing a banking system controlled by the neo-colonial power.

To add to the above, Junbo and Frasheri (2014) mention that the economic relation between the colonized country and the colonial power in a neo-colonial relationship is only related to diverse products, fields and companies (particularly those regarding the economic spine of the colonized countries) which makes the colonized regions or countries strongly reliant on the foreign colonists. In this, once there is a breakdown of this trade relationship or a cut in the investment inflow, the colonized country will plunge into critical economic recession or serious fiscal crisis (Junbo & Frasheri, 2014). In extreme cases of neo-colonialism, Antwi-Boateng (2017) points that a foreign power may have its troops stationed in the neo-colonial states and have direct control and authority over the government.

The concept of neo-colonialism has been critiqued by some scholars due to its negative connotations. Molnar (1965) argues that neo-colonialism should not be perceived in the negative sense. He argues that Africa needs the West. He asserts that the call for decolonization occurred in a hasty and haphazard way. He highlights that Africans were not ready and lacked maturity for political and economic independence as of the time it achieved it. Due to this, the West is obliged in the post-colonial Africa to keep up its aid as one half of a two-way process of cooperation rather than as a tribute paid for past colonial situation. To him, the economic

presence of the West is imperative for the future progress of Africa's socio-economic and political stability with the assumption that only fruitful economic agreements or arrangements with the former colonizers or western industrialized countries may guarantee Africa's future (Molnar, 1965).

Despite the critique, the concept is of relevance to the research because it provides basic explanation to the core features of the relationship between China and countries in Africa. It helps to examine China's activities in Africa juxtaposed to the tenets of neo-colonialism and examine whether the engagements are neo-colonial or not.

1.8 Literature Review

This section reviews existing works on China in Africa. The section examines and places the relation between china and Africa in proper context, a context of neo-colonialism, solidarity, and or south-south cooperation. This review, therefore, look at the relevant literature on the relationship between China and Africa with particular interest on the impact the relationship has had on Africa.

1.8.1 China in Africa

China's presence in Africa has been strengthened since the end of the cold war. There seem to be a general agreement amongst literature on the principles underpinning China Africa relation in this era. China's relation with Africa generally could be categorized into three stages. The first stage is from 1955 to the early 1970s. The second stage from the 1970s to the 1990s and the third stage is from the 1990s to present (Addis & Zuping, 2018). The first phase emphasized the political ideology of China, which focused on the political and economic ties. The second phase emphasized trade and economic cooperation. And the third phase represents the solidification of Sino-African relations and all-around cooperation (Addis & Zuping, 2018).

Another dimension to this relationship is put out by Zeleza (2014). According to him, the reality of China's relationship with Africa is a lot more "complex and contradictory" (Zeleza, 2014, p. 146). Four characteristics, in particular, stand out in this relation for him. First, it's a long-historically rooted relationship that has undergone several stages. Secondly, it is a multi-faceted connection, encompassing political, economic, cultural, social and strategic dimensions. Third, in the light of significant shifts in the international political environment, the relationship has also evolved. Lastly, it is a connection between one state, China, and 54 sovereign African nations, none of which compares size and power with China directly (Zeleza, 2014).

China Africa relations functions at different levels. These are bilateral contacts between Chinese and individual African governments, multilateral relationships between China and groups of African nations through the FOCAC framework and international organizations such as the AU and the African Development Bank (ADB) (Zeleza, 2014). Sino-Africa relations generally focus on pragmatic economic (Taylor, 2005, Shelton, 2001, Cornelissen & Taylor, 2000) and political interest (Addis & Zuping, 2018). According to Nicolo Olivier (2014), the main drivers of China in Africa are political, strategic and economic considerations. Addis and Zuping (2018) also adds to this assertion by indicating that the nature of China's relation with Africa is characterized by economic cooperation, cultural exchanges, non-interference, and mutual benefit. It has however been argued that politics and ideology are of little significance to China in her Africa policy in recent times (Van der Wath, 2004).

Literature on China Africa relations mostly suggests that China's economic interest in Africa are based on but not limited to Africa's rich resource base (raw materials and natural resources), China's increasing demand for energy resources (Addis & Zuping, 2018) and Africa's market base for China's manufactured goods (Van der Wath, 2004). Under the pretext of development partners, mutual benefit and South-South solidarity, China has provided a number of incentives

for trade and investment, aid and technical assistance, and enhanced diplomatic exchanges with African countries (Cheru & Obi, 2011).

In terms of aid, Chinese approach to Africa is quite different from Western aid in three main ways. It is unconditional, it is infrastructure-focused, and it is tied (Wang & Ozanne, 2010). As cited in (Wang & Ozanne, 2010), Lancaster presents it very well by stating that

“We know that the Chinese provide their aid largely without the conditions that typically accompany Western aid, ... We know that Chinese aid emphasizes infrastructure, something many poor countries need and want but find traditional Western aid donors reluctant to fund...., We are aware that Chinese aid is provided typically in the form of concessional loans”

The unconditionality clause associated with Chinese aid does not mean a complete absent of certain conditions. The difference is that Chinese aid doesn't require that recipient states to meet such conditions as set by Western donors. For instance, strong economic management, political openness, and human rights performance are not criteria China considers before advancing aid. Chinese aid more often than not go into infrastructure development in the recipient countries. Chinese aid to Africa mainly goes into railway development, hospital projects, roads, electricity generation, water systems as well as the industrial and manufacturing sector. Chinese aid when said to be tied means that the aid is given on condition that the project to be executed must be done by Chinese companies and major roles reserved for Chinese nationals (Wang & Ozanne, 2010).

China's drive to increase its influence and presence through 'soft power' is further deepened by the establishment of Confucius Institutes across the continent (Addis & Zuping, 2018). Over the past decade, China's growing presence in Africa has captured the international public's opinion, particularly from the West. Where some express optimism, the others are pessimistic about the relation (Addis & Zuping, 2018). Liang Zheng also argue the recent political and

economic involvement of China in Africa has placed these bilateral ties under broad scrutiny (Zheng, 2010).

Some in the West argue that China is seeking to colonize Africa and repeat what the Western colonists have done centuries ago. Others contend that China's dedication to African nations will help China obtain the mineral deposits and oil it requires to feed its evolving economy without interfering with Africa's domestic sovereignty (Zheng, 2010).

1.8.2 Impact of China's Presence in Africa

The Good

The pessimists have largely described China's presence in Africa as useful stressing that China's activities have helped both Africa and China in their economic development. Whether factual or not, there are literature to support such comments. Addis and Zuping (2018) stressed that China's finance became increasingly important when finance from the West began to decline. This is also the time when Africa needed long term financing models. China emerged as a source of FDI, official aid and trade credits. The new relationship meant that Africa has been able to exploit natural resources which Africa has in abundance, becoming more productive and enter international markets (Addis & Zuping, 2019).

China's finance, trade, support and infrastructure development cooperation has increased significantly in recent years and plays a major role in most African economies (Addis & Zuping, 2019). In terms of actuals, Chinese industries substitute what is not found in Africa. Chinese involvement in infrastructure is not only renowned for its significant scale, but also for its high efficiency and quality. The commitment of China encourages the freedom of Africa. Africa has a chance to prevent a long-term alliance with the West and maintain its independence in the world (Junbo & Frasher, 2014)

China's engagement with Africa promotes decolonization and can facilitate Africa's economic and political independence (Junbo & Frasher, 2014). The optimists also claim that a new window of opportunity and a new paradigm for collaboration and an alternative development plan has been opened up by Chinese investment projects (Gill & Karakulah, 2019). It is also evident that Africa benefits from trade, investment and assistance (aid) from China (Olivier, 2014). The main advantage of Chinese aid is that less goes through the hands of recipient governments and domestic firms, minimizing possibilities for corrupt practices and hence circumventing the dilemma faced by Western aid (Wang & Ozanne, 2010).

The integrity of Chinese assistance is preserved, which implies that it is more efficient in promoting growth than when political circumstances are connected to it or in many wasteful projects it has been dissipated (Wang & Ozanne, 2010). Similarly, while the practice of using Chinese labour has often been criticized for decreasing the direct employment produced by Chinese assistance programs in recipient states, integrated infrastructure provides better completion rates and less space for corruption (Wang & Ozanne, 2010). China is often accused of using aid and investment to gain access to Africa's natural resources. Joint ventures with Africa based on mutual advantage is more likely to maintain the long-term investment and dedication needed to sustain economic development because the interaction benefits both parties economically (Wang & Ozanne, 2000).

Many African governments see closer financial and political connections with China a guarantee of future prosperity, owing to the achievement of China over the previous three decades. The African rulers think that China offers a different growth model and a countervailing force both to Western conditions and to the continent's dependence on Western FDI and development aid (Zheng, 2010).

Many African governments see closer financial and political connections with China a guarantee of future prosperity, owing to the achievement of China over the previous three decades. Olivier postulates that China provides Africa with an opportunity to address infrastructure as China is willing to invest and provide affordable infrastructure (Olivier, 2014). The African rulers think that China offers a different growth model and a countervailing force both to Western conditions and to the continent's dependence on Western FDI and development aid (Zheng, 2010).

The PRC's economic cooperation provides many African countries with a credible alternative. Shelton argues that due to the PRC's "understanding of Africa's ongoing struggle for economic growth, social stability and peace", China may ultimately "be a true partner in Africa's hoped-for 21st century economic renaissance".

The bad

Notwithstanding the argument the optimists have made regarding the impact of the China Africa relation, some also think the relationship has not inured to the benefit of African countries. The pessimists have made the case that trade between China and Africa is highly unbalance tipped in China's favor which has the potential of enervating and even shutting down local traders and manufacturers. Chinese goods do not only threaten local manufacturers but also lead to several job losses (Alden, 2005)

Busse, Erdogan, and Mühlen (2016) reiterates the position of Alden (2005). They contend that there is a strong evidence of the effects of displacement, as African producers are not able to compete with their Chinese counterparts. This applies particularly to specific labor-intensive products such as footwear, textiles or furniture. African producers have had a significant market share in the local market thus far.

Chinese aid has been criticized mainly by Western donors, academics and journalist. There are four main problems with the Chinese approach to aid as examined by the West. First, its non-conditionality supports nefarious regimes, reignites corruption and prevents the needed economic and political reforms in African nations. Second, allegations have been made that the real intention of China in Africa is to plunder its assets and pursue neo-colonialism. Thirdly, Chinese firms import qualified, and unqualified labour from China and minimal jobs are left for Africans who are underemployed or unemployed. Finally, there are concerns that Africans are becoming too indebted to China. This has the potential of increasing the already cumbersome debt burden of the Africa countries (Wang & Ozanne, 2000).

According to Gill & Karakulah (2019), Africa's debt owed to China creates an even more risk of debt distress than other financing models (Gill & Karakulah, 2019). The link between Chinese finance on the development of Africa is difficult to ascertain due to data shortages. Again, FDI from China does not seem to play any major role in the economic development of African countries. Nevertheless, Gill and Karakulah (2019) opine that the lack of information on China's investment in Africa should not be seen as a blatant lack of transparency. Taylor (2004) interprets the non-political position of China as providing a way to obtain oil and profits without being hindered by political principles.

The pessimists again argue that while some local people are very impressed with the infrastructure development and employment opportunities generated by the Chinese, the technology transformation and the quality of certain projects do not meet proper standards, and the jobs created for local people tend to be exploited rather than transferring skills and technology, providing low wages (Addis & Zuping, 2019). Correspondingly, a case is made to the effect that many investment projects are somewhat incompetent to serve its purpose and thus produce low-quality infrastructure.

1.8.3 Conclusions

Based on the review of literature, some propositions can be made regarding China in Africa. According to the concept of neo-colonialism, China appears to be a colonial state in Africa as its operations and behaviour are characterized by neo-colonialism (Junbo & Frasher, 2014)

China's increasing presence in Africa also elevates Western fear. The renewed attention of China in Africa is another sign for many Western observers that Western pre-eminence on the global level is weakening. Due to China's "no-intervention" policy, many Western countries encounter difficulty in contending with China in Africa (Zheng, 2010, p. 273).

In "Neo-Colonialism, Ideology or Just Business?" Zheng concludes that China does not have an agenda of carrying across its development model to Africa. The 21st century China Africa relations is predominantly based on pragmatic political and economic collaboration. As long as China's economic growth is driven by elevated natural resource consumption, China will mainly need Africa as a natural resource supplier and business partner (Zheng, 2010).

Many Chinese and African academics, businessmen, and investment analysts resoundingly think that both parties will profit from Sino-African collaboration and the partnership of this 21st century (Addis & Zuping, 2018, p. 368). Again, they conclude that "there are no threats of China's neo-colonialization practice in the continent" (Addis & Zuping, 2018, p. 368). Sino Africa cooperation rows on the basis of "equality and mutual benefit, sincere and friendly cooperation, and common development aspects with a non-interventional approach in each other's internal affairs" (Addis & Zuping, 2018, p. 369).

The role of China in Africa is an increasingly significant partner in Africa as the commitment of China is based on win-win and political equality. The relationships between them can boost economic growth and interdependence on both sides, depending not on colonialism but on sovereign equality (Junbo & Frasher, 2014).

From the various analysis and perspective made by scholars on this relationship, there is a clear evidence of difference in opinion and lack of unanimity of the subject. There are also not many comprehensive studies that explore the implications both positive and negative within the neo-colonial framework on individual country basis. Not losing sight of the many literature that address China and Africa in general, more country specific analysis ought to be done so to be able to determine China's behaviour in Africa in its totality by looking at the merit the individual countries within Africa presents to the notion of China being a neo-colonial state.

1.9 Sources of Data

Data was sourced from both from primary and secondary sources. The primary sources of data were obtained using semi-structured interviews and questionnaire guide. Officials from government organisations namely the Ministry of Finance, Ministry of Trade and Industry, Ghana Investment Promotion Authority were administered questions which they provided responses and other officials within the same organisations interviewed. Officials of Ghana Union of Traders Association (GUTA) were interviewed. The other primary sources of data were obtained by interviewing senior officials from Civil Society Organizations namely IMANI Africa, the Centre for Democratic Development (CDD) and Institute of Democratic Governance. The interviews were recorded and transcribed. Secondary data was obtained from books (book chapters), journal articles, reports and verified news publications, policy documents as well as e-resources.

1.10 Research Methodology

1.10.1 Research Design

This study makes use of the qualitative research methodology in the collection, analysis, and interpretation of data. A qualitative research methodology is a broad approach encompassing

systemic collection, organization, and interpretation of textual information and generating insights into phenomena that are difficult to quantify. Punch (2013) simply put it as “empirical research where the data are not in the form of numbers”. A qualitative approach is exploratory and seeks to explain “how” and “why” rather than how many or “how much” in a particular phenomenon in a specific context. This theory is very relevant as it seeks to explain the behaviour, as such, expert knowledge and vital information and existing data are relied upon for the study.

1.10.2 Sampling Technique, Sample Size and Target Population

The purposive sampling technique of data gathering was employed as part of data gathering. Purposive sampling is a group of distinct methods of non-probability sampling. Also known as judgmental, selective or subjective sampling, purposive sampling is based on the researcher's judgment when it comes to choosing units such as individuals, cases and organizations, occurrences, parts of information to be studied. The primary objective of purposive sampling is to concentrate on specific characteristics of a population that has high efficiency of answering the research questions. The sample size for this study was eight (8) participants, four (4) from the government sector three (4) from the non-government sector.

The target population for this study involved relevant stakeholders within both government and non-government sectors. Relevant officials and authorities from Ghana's Ministry of Foreign Affairs and Regional Integration, Ministry of Finance, Ministry of Trade and Industry, Ghana Investment Promotion Authority were interviewed and data on trade, aid and investment were also sourced from these agencies. Officials from IMANI Ghana, IDEG and GUTA were interviewed. The Chinese Embassy in Ghana was also contacted however no response was given. Unfortunately, the research had to proceed without the input of the Chinese Embassy.

1.10.3 Data Analysis

Data analysis according to LeCompte and Schensul (1999) as cited in (Kawulich, 2004) is a “process used by researchers for reducing data to a story and interpreting it to derive insights”.

Data analysis has again been defined as “the process of systematically applying statistical and/or logical techniques to describe and illustrate, condense and recap, and evaluate data” (Bhat, 2019). The primary purpose of data analysis is to extract valuable information from data and taking decisions based upon the data analyzed. The study is qualitative and as such a qualitative data analysis is employed. Qualitative data analysis examines the data and provides explanation for a particular phenomenon by revealing the different patterns and themes from the data, providing good understanding of a research objective.

The analysis tool used in analyzing the data is the content analysis method. Content analysis describes “a family of analytic approaches ranging from impressionistic, intuitive, interpretive analyses to systematic, strict textual analyses” (Hsieh & Shannon, 2005). As cited in (Sándorová, 2014) content analysis according to (Cohen, Manion, & Morrison, 2002) is “the process of summarizing and interpreting written data in a broader sense, whereas, in a narrow context, it is a strict and systematic set of procedure for rigorous analysis, examination and verification of the contents of written data”.

Content analysis has its advantages as well as disadvantages. However, using content analysis provides an easy way out for researchers who are new to the subject area Author links open overlay panel (Bengtsson, 2016).

1.11 Limitations of the study

The study encountered a few challenges during the process of data and information gathering. A significant challenge was the reluctance of some targeted organizations and persons to share

information. Getting official data, information and responses to issues raised in the study was another major hurdle as such; the researcher had to rely extensively on secondary data. Another challenge was the time allocated to conduct the study. Despite these limitations, the study endeavored to address all questions raised in the research to achieve the aforementioned objectives.

1.12 Arrangement of Chapters

This research is structured into four main chapters. Chapter one presents the introduction of the study which includes background to the study, statement of the research problem, research questions, research objectives, scope of the research, rationale of the study, hypothesis, research methodology and sources of data, theoretical framework, literature review, organization of the study and limitations to the study. Chapter two of the research provides a policy perspective of historical analysis of China-Africa relations as well as contemporary relations. Chapter three of the study tackles the prospects, challenges, and threats of China's relationship with Africa. Chapter four of the study will be the summary of findings, conclusion, and recommendation.

CHAPTER TWO

CHINA AND AFRICA RELATIONS: A HISTORICAL, CONTEMPORARY AND POLICY PERSPECTIVE

2.0 Introduction

This chapter provides a basis for contextualizing the political and economic relations of China with Africa. It chronicles an outline of China's relation with Africa. This is accomplished by exploring China's political and economic policy rhetoric about Africa and the nature of China's relationship with Africa after their first meeting at the Bandung Conference in 1955, Indonesia. Thereafter, the chapter explores the background of contemporary Chinese policy direction by highlighting the general philosophies upon which China defines its activities towards other continents.

2.1 China in Africa: A Policy perspective

The Chinese have had a communist background, and have a much more statist approach to development. Since the Cold War, the Chinese have found a way of marrying some aspects of Western democracy with their communist ideology. This, F. Cudjoe (Personal Communication, August 02, 2019), describes as “democratic communism or democratic centralism” that seems appealing to a number of third world countries especially now that the West does not seem to be involved in most African affairs, especially in terms of the leverage they have over their relationship, hence a graduation of power relations between Africa and China (F. Cudjoe, personal communication, August 02, 2019).

China's involvement in Africa has a long and quite a complicated history. Historical characteristics and antecedents of China's Africa Policy remain relevant and explain China's relation with Africa. China is labelled as a capital-driven contender of the West, resolved to

propel a zero-sum game situation to accomplish slender business targets. Over the past 20 years, China's African policy framework has progressed rapidly. It is driven by political and economic factors that create not only adequate opportunities for the growth of Africa but also difficulties for the continent (Olivier, 2014). Western critics are suggesting that China's return to Africa is to seek raw materials, trade, and to push narrow geopolitical interests. Hastily, a historical and phenomenon assessment depicts China as a neo-colonial invader into a Western-dominated international system (Taylor, 2010)

Chinese Africa strategy concentrated on supporting Africa's freedom struggles during the era from 1949 to 1978. China's approach towards Africa focused primarily on strategic political problems, with a focus on promoting anti-imperialist campaigns. In Africa, post-imperialism struggles introduced a change towards broader financial engagement in China's strategy (Taylor, 2010). China still provided significant aid to Africa despite its own urgent development needs. China, however, realized that aid is an inefficient tool for advancing economic development and changed the focus of its economic aid for self-development during the 1980s. The development of China's relation with Africa thus shifted from an ideologically driven strategy to present-day economic pragmatism through political pragmatism which is now the critical characteristic of China's commitment to Africa (Taylor, 2010).

China's foreign policy moved from supporting domestic freedom struggles to focus on peace and growth during the 12th CCP National Assembly in 1982 to promote and promote the rapid economic opening and growth of China. The Chinese Prime Minister also toured Africa in 1982 and announced the four values of economic and technological collaboration with Africa which signified China's focus on Africa changing from a mainly strategic political commitment to an economic agenda and a sense of joint development (Taylor, 2010). The shifted emphasis on the national advancement of China and the need to foster international peace and stabilization in order to attain this goal transformed into a new African strategy integrated into

commercial communication and practical economic objectives. The new strategy enabled a freely given transition from goodwill assistance to help promote shared advantage (Taylor, 2010).

Both China and Africa have prioritized sovereignty and non-interference as the primary guiding concepts in global affairs in the post-colonial, post-Cold War global structure (Chung, 2009). In addition, both have developed African growth driven by shared growth engagement and shared prosperity. The high-level diplomatic relationship between Africa and China was intended to encourage the relationship between China and Africa against the backdrop of its central values. Summit diplomacy has attempted to promote equality and create trust with the management of Africa. These high-level events set the basis for the conversion of China-Africa relations in the year 2000 into a more formalized framework, FOCAC, with a perspective to deepening and expanding the political and economic relationship (Taylor, 2010).

Regardless of China's strategy adjustments in light of changing global conditions, the fundamental principles which underpin China's relation towards Africa have remained consistent. The principles of equality, respect for sovereignty, non-interference, mutual benefit, and common development continue to guide China's interaction with Africa (PRC, 2003). For economic engagement, China does not demand any economic or political restructuring. Chinese pragmatic approach is extensively and robustly endorsed in Africa, unlike Western countries whose aids are motivated by complex conditionalities and policy conditions. The only precondition for China is for African countries to follow a 'one-China policy' that prevents diplomatic ties with Taiwan (Shelton, 2001; Wong, 2000).

2.2 China-Africa Relation in Historical Perspective

2.2.1 Defining Moments of China-Africa Relations

China-Africa relations, according to scholars, were marked by two critical periods, which set out to be the defining factor and set the agenda for the contemporary relationship. The first event is the far-off political history travel of Admiral Zheng He of Yunnan in the Ming dynasty (in the 1400s) to Africa. The other, a comparatively recent political history, was the Bandung Conference of 1955, Indonesia. These events are frequently suggested by Afro-Sinologists and Sino-Africanists to stamp the beginnings of the relations between Africa and China (Bodomo, 2009).

The Bandung Conference in Indonesia, April 1955 was the first time the PRC met officially with their African counterpart. The Bandung Conference was organized to promote African-Asian solidarity, considering the presumption that Africa and Asia's political and economic challenges were comparable and provided a basis for future cooperation among them (Alden, 2005; Taylor, 1998; Zeleza, 2004). Chinese Premier, Zhou Enlai, utilized the Conference to advance the “Five Principles of Peaceful Coexistence” which include: “mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence” (PRC, 2003). These principles will serve as the underlying principles within which China's relations with African states and other parts of the world would be established (Alden, 2005; Taylor, 2006). China capitalizes on these principles to garner support for itself primarily among the developing world.

China's position in the international system during the cold war was basically determined by its association to states in the quest of non-alignment (Kornberg & Faust, 2005). During the Cold War era, some authors accurately distinguish two phases of Sino-African relations

(Brautigam, 1998; Taylor, 2007). The first was the Maoist era when ideological and strategic considerations were mainly China's Africa policy. China saw itself as a member and even a leader of the struggles of the Third World, seeking to undermine the influence of the West and the Soviet and to confine Taiwan on the world stage (Konings, 2007). The second stage began with Deng Xiaoping's economic modernization strategies. For pragmatic reasons, China in this way took a stab at economic cooperation with the West and, subsequently, its enthusiasm for Africa was obviously decreased, even more so on account of the developing economic stagnation and crisis on the continent (Konings, 2007).

China's official entrance into the African continent began in 1961 in North Africa. Egypt, which was one of six African states present at the Bandung Conference, was the first African state to recognize China in 1956. The role of China in Africa intensified in the early 1960s, particularly within the sub-Saharan region through its activities. Chinese interest in Africa in the 1960s was primarily based on three things. First, it was perceived that the Third World presented China an opportunity for achieving its political and ideological objectives. Secondly, the PRC's effort to secure international acknowledgement and recognition as the sole legitimate government of China. Thirdly, the heightened Chinese interest in Africa due to the Sino-Soviet struggle (Botha, 2006).

China's African policy was well introduced by the mid-1960s. Beijing offered every hint that it placed high importance on the African continent, one indication being Chinese Premier Zhou Enlai's three journeys to Africa in 1963-1965 (Botha, 2006). In 1964, Premier Zhou Enlai visited 10 African states. Zhou Enlai affirmed PRC's help for African struggles against imperialism. Zhou's declaration pursued Mao Zedong's August 8, 1963 discourse on imperialism and bigotry, which demonstrated the PRC's craving to lead the emerging world, and affirmed the breakdown of the Sino-Soviet relationship (Botha, 2006).

Zhou additionally proclaimed that Africa's potential for revolution was "great", adequately requiring a second, post-pioneer battle against the new controlling African bourgeoisie. The five principles for China's Africa approach, enumerated by Zhou during his African visit, became the underlying principles for China-Africa relation during that period (Shelton, 2001). These values-maintained support for Africa against colonialist battles (Shelton, 2001).

Africa's decolonization process provided the PRC with a chance to play a part in this fight by helping the free movement in Africa with economic and logistical support in its struggle for independence. China, therefore, provided technical and military assistance as well as economic support for African countries and freedom movements in order to boost the revolutionary process in Africa. China also aimed at creating a global front against the superpowers (Muekalia, 2004; Snow, 1995). By being supportive of decolonization, China's main objective was to deny the capitalist colonialists economies that were so key to sustaining their booming economies (Roy, 1998).

The attitude of the PRC towards Africa was driven in the 1970s by the prevailing bipolar international system defined by the cold war. The PRC's involvement in Africa at the time was driven to a great extent by its point of countering superpower hegemony (Taylor, 1998). In this manner, China endeavored to expand its relative power and assert itself in the global scheme of events. Africa assumed an urgent job in such a way and China seriously started to encourage cordial relations with the continent through a broad aid policy. Deng stated that economic development was China's primary objective and everything else remained subordinated to that policy (Taylor, 1998).

2.2.3 The Decline of Africa's Importance in China's Policy

After Zhou's death and soon after Mao's, Deng Xiaoping took authority and control of China's Communist Party in 1976. The shift in PRC management marked the end of the policy of

'Cultural Revolution' (Botha, 2006; Meisner, 1999). This event enabled the Four Modernizations to be implemented. The Four Modernizations were objectives first set by Deng Xiaoping to enhance the areas of defence, agriculture, business, and science and technology in China. The Four Modernizations objectives were implemented as a way of revitalizing China's society in 1977, following Mao Zedong's demise, and subsequently formed part of the central tenets of Deng Xiaoping's leadership of China.

The situation of China during the 1960s and 1970s (denunciations and propaganda) Maoist principles died out. Deng Xiaoping's socialist modernization initiative requested financial investment and a non-conflict attitude to global affairs (Taylor, 1998). Consequently, China's foreign policy framework prioritized non-ideological ties with USA, Western Europe, and Japan centring on extending trade connections and collaboration. After 1978, China's foreign policy was mainly devoted to promoting the economic transformation program started under Deng's leadership and while staying sympathetic to Africa. The implementation of Deng's modernization program with its economic growth objective in 1978 led in a change in the PRC's international policy goals, and hence the PRC's overall strategy toward Africa. China's goal (Shelton, 2001).

China, in the conduct of its foreign policy of economic modernization, began to promote international stability and economic interaction. Following China's 'independent foreign strategy', the position of Africa within the PRC's framework decreased significantly. Thoughtful about resuscitating the Chinese economy under the administration of Deng Xiaoping, Africa policy moved from help for Maoist propelled insurgency to the look for a new commitment that would fortify the PRC's economy. Deng received a non-obstruction approach, urging African nations to discover political and economic models of development to ensemble their own specific conditions (Mohan & Power, 2008).

China did not only regard Africa as mainly inconsequential in its search for modernization but perhaps saw that the motivation behind Africa's assistance for anti-Soviet elements became entirely redundant and irrelevant. Moreover, China Africa trade had already festered. With the PRC focused on its economic growth program, Africa was seen as mainly insignificant to the progressive economic agenda of the PRC's under Deng Xiaoping (Taylor, 1998).

This was evident in the comparative lack of high-level China-Africa visits during the mid-1980s to post-Tiananmen. Africa was mainly absent from the targets selected by significant Chinese leaders at a moment when the PRC's foreign relations initiatives were opening up and diversifying, and when the PRC was creating global links and financial recovery. This was contrary to a number of high-profile visits that took place in the early 1980s. Most noteworthy of these were the 1982 trip of Prime Minister Zhao Ziyang to eleven nations and the 1984 tour of Vice Premier Li Peng (Taylor, 1998).

In essence, since the mid-1980s, China had a tight stance in Africa, and it was even more critical than ever when it was involved. This was evident in China's changing stance towards Africa as well as the diminishing importance of Africa in the foreign policy of China. Following the Tiananmen Square crackdown in 1989, this decrease in China's general position towards Africa transformed (Taylor, 1998). At nearly the same time, China's decline in African affairs and the effects of the move towards modernization led to decrease or stagnation in aid from China to Africa.

2.2.4 China's Foreign Policy Post- Tiananmen Square Incident

The PRC's policy towards Africa in the 1990s was anchored in the aftermath and context of the Tiananmen Square crackdown on 4 June 1989, and the developed world's continuous and robust criticism of Beijing's record of human rights since that date (Taylor 1998). The Tiananmen Square crackdown relates to the common domestic movement, sometimes called

the '89 Democracy Movement, inspired by the Beijing demonstrations during that era. The protests were forcefully suppressed following the declaration of martial legislation by Chinese Premier Li Peng. In what became known as the Tiananmen Square Massacre, troops fired shots at the demonstrators with assault rifles and tanks trying to block the advance of the military towards Tiananmen Square (Botha, 2006). The June 1989 Tiananmen protests and state crackdown changed the dynamics of power among the Chinese leadership's conservatives and reformers. Zhao Ziyang lost power to the conservative older generation of PRC (Cheng & Shi, 2009)

China significantly re-evaluated its foreign policy after 4 June 1989. The protests and subsequent shootings around Tiananmen Square triggered a dramatic change in the relationship between China and the West. The Chinese officials were amazed by the sharpness of Western judgement. Abuse of human rights in China was earlier discreetly ignored (Taylor, 1998). Tiananmen Square incidence saw a sharp decline in China's close and lasting relationship with the Western world. Africa's response to the occurrence in Tiananmen Square was very silent, and that indicated that Africa was either in support of the Chinese government or indifferent (Botha, 2006).

Prior to the Tiananmen incidence, the West was not very critical to human right abuses in China, which were in sharp contrast of the West's account of the Soviet in relation to human right violations. Throughout the 1980s, the PRC was perceived as experiencing a much-excited program of modernization with social and financial ramifications given the preferential conduct by Western media who trusted that China was being revamped as a Chinese rendition of the self-view of the West. This desire was reproduced by Western foreign policy and the present well-known protests over China's 'Laogai' framework, open executions and absence of democracy were frightfully missing (Taylor, 1998). Given the events in this turmoil, it appears that it was the third world that at that critical moment gave China the needed compassion and

support. China, therefore in replicating, changed their foreign policy towards Africa and put more effort this time as opposed to their dormant relations prior to the attack.

According to Taylor, the explanations behind this response by the Third World and especially African countries to the occasions of June 1989 might be summarized in three fundamental focuses. First, the personal circumstance of African elites under danger from democratization ventures. Secondly, is the problem of another emerging country, third world solidarity and hatred for Western 'neo-colonialist' impedance. Third, pragmatic factors that open criticism of the PRC would put an end to Chinese development assistance (Taylor, 1998). The belief that the PRC's evaluation of the developed world was a manner in which the West meant to prevent a quickly modernizing China as shared by numerous African leaders and pushed it forward for China's sake. Most African countries were overwhelmingly suspicious of the newly found disclosure that the PRC's human rights records were suspicious in the Western eyes, causing direct obstruction and association over a considerable period of time interests by the capitalist West (Taylor 1998).

The government of China ended up reflective for a period, condemning the states that criticized the incidence at the Tiananmen Square as interfering in their domestic matters and that amounted to a violation of the sovereignty of the PRC. China embarked on a purposeful struggle to develop its third world ties in an attempt to combat and oppose the Western analyses. China shifted its focus to Africa for its assistance. This required a shift to anti-imperialism and anti-hegemonism struggle in the PRC's foreign policy orientation. External criticism of the human rights record of China became a significant problem in the foreign policy of China (Taylor, 2004). China, therefore, reaffirmed the principle of non-interference and sovereign rights as its foreign policy orientation (Cornelissen & Taylor, 2000).

In this way, Chinese Foreign Minister Qian Qichen visited 14 African countries on what came out to be annual visits to the continent between June 1989 and June 1992. Chinese assistance extended considerably in the post-Tiananmen era as China blended with allies and friendly counterparts. this strategy was a swift and likewise modest approach through which the PRC could offset those countries that stayed China in the midst of the emergencies of 1989 just as solidifying ties for what was to come (Taylor, 1998).

Politically, China needed to assert itself and uphold its position in the international system. China re-engaged with Africa, particularly Southern Africa, as a means of achieving this goal, where China had much assistance during the Tiananmen crackdown (Taylor, 1998). Africa's criticality as a prospective basis to political assistance was underlined by the fact that the solidarity visits by African states after the Tiananmen incident was only second to those from the PRC's ancient counterpart (Taylor, 1998).

Economically, the PRC recognized Africa as a critical partner to its opening-up policy (Taylor, 1998). China reaffirmed its commitment to the growth agenda of Africa and pledged to support Africa through their economic relations, including expanding trade ties as well (Taylor, 1998). China promised itself in the post-Tiananmen period to assist African growth and take a prudent stance towards establishing business ties in Africa. This can be seen in effect as a reward for Africa's support for the PRC and was expressed through increased levels of Chinese funding and financial involvement through joint ventures. China's economic relationship with most African nations today focuses on a good assessment of its supposed financial strength, which is why Africa can expect economic growth in dealing with China.

2.3 China's Contemporary Foreign Policy Orientation

2.3.1 The context of contemporary China-Africa Relations

China-Africa relations in contemporary times must be placed in a proper context. According to Taylor (2004), modern China-Africa relations ought to be assessed in the context of three developments. First, the impact of the Tiananmen Square incident on PRC's foreign relations. Secondly, trade-in China developed in the 1990s and thirdly, the acceptance by the PRC of African nations as a future support base in the international arena, particularly the United Nations.

Mills and Shelton (2003) provide a number of fundamental characteristics that inform contemporary China Africa relation. For them, alternating diplomatic visits by state officials to foster relations and collaboration. Secondly, China providing support for African states against Western control, the United States in particular. Thirdly, promoting trade between China and Africa rather than aid. Lastly, establishing trade centres in certain African countries which is directed at assisting Chinese companies in Africa and identifying prospective businesses (Botha, 2006)

Africa offers Chinese products and services a broad market base. Besides Africa providing markets for Chinese products, it also serves as a source of energy (oil) and natural resources. The PRC find in Africa, an avid supporter in the global system. By the rhetoric of solidarity with Africa, China has succeeded in maintaining and improving on this support base from Africa (Botha, 2006). In this sense, the PRC has expanded its soft power and impact the international system by becoming a partner of the developing world and a valuable financial partner for Africa (Giry, 2004; Muekalia, 2004).

It is significantly less demanding for Africa to work with China than with their Western counterparts. This is so because the West usually strictly demand certain economic and political

conditions such as good governance and transparency (Giry, 2004). Modern China-Africa relation is thus guided and backed by politics and economics. All this is linked to the eventual success of China in affirming itself as a significant force in the global economy (Botha, 2006)

2.3.2 The “Open Door Policy”

Mao Zedong's death and Deng Xiaoping's emergence as China's new leader in 1978 saw a significant change in foreign policy in China. Deng announced China's program of modernization, which he termed the 'four Modernization'. The Chinese government newly adopted policy was referred to as the 'open door policy' by the Westerners (Huan, 1986). The Deng administration's strategy was fundamentally a program aimed at economic development. The program targeted four critical sectors of the economy: manufacturing industry, agriculture, science and technology, and national defence (Wei, 1995). This policy changed China's development approach from one sort of self-sufficiency to one based on active international market involvement. (Wei, 1995).

Deng observed the importance of opening up the Chinese economy to the world in order to improve trade and investment for China to evolve economically hence the “Open Door Policy”. The Open-Door policy contained two significant types of policy changes which were first, the opening up of geographic regions to foreign investment and secondly the opening of certain institutions nationwide. The strategy included not only involvement in the international economy, but also involvement in the global financial organizations notably the World Bank and the IMF which is 1980, the PRC became a member (Kornberg & Faust, 2005)

China opened up to the outside world as part of the 'open up' strategy. In the first place, the policy included decentralized export and import choices for both local government and foreign trade companies. Second, in order to stimulate exports and attract FDI, a series of special economic zones and coastal open cities were designated. Third, tariffs, quotas and licensing

replaced administrative constraints on export and imports. Fourthly, foreign exchange controls were eased, especially for foreign-invested controlled firms (Wei, 1995).

Aspects of Deng's policy involved the establishment of special economic zones in which areas were allocated where joint efforts with local organizations occurred (Kornberg & Faust, 2005). In this way, as opposed to proceeding with Mao's isolation policy, Deng sought after a strategy that connected all the more effectively with the universal financial routine so as to accomplish the essential national objective of economic advancement. The past national objective of battling imperialism along these lines successfully pushed to the foundation of this policy (Huan, 1986; Mills & Shelton, 2003).

China's domestic reprioritization required a gradual change in China's foreign policy plan in three ways. The PRC's foreign policy strategy shifted from "confrontation to collaboration, revolution to economic development and isolation to global commitment" (Muekalia, 2004). China started developing friendly economic ties with industrialized states, including the USA, Europe, and Japan, in order to increase the inflow of FDI and global trade (Taylor, 1998). The PRC's relationship with other states was based not on ideology and governance, but on economic collaboration (Muekalia, 2004). China explained its domestic objective as economic development and is set to develop all components of economic and social strategies to achieve a definitive domestic economic growth agenda (Botha, 2006)

2.3.3 China's Independent Policy of Peace

The PRC unreservedly pursues an independence and peace policy (PRC, 2003). The development of China from the pandemonium of the Cultural Revolution and the alteration in political administration brought about policy adjustments not only on the national front but also in its foreign policy. The PRC's new policy was presented at the Communist Party's Twelfth National Congress in September 1982 (Taylor, 1998). The pronouncement urged commitment

to 'an independent foreign policy' with China not aligning itself to any significant force or group of forces. China's foreign policy was regulated by the 'Five Principles of Peaceful Coexistence'. China shared a common fight against imperialism, colonialism, and hegemonism with the third world. China perceived itself as the third world's leader and thus assumed the duty and common duty of protecting the countries of Africa, Asia, and Latin America's "domestic autonomy and government sovereignty" and "evolving domestic markets" (Ma Zhengang, 1998)

Between December 1982, and January 1983, Chinese Premier Zhao Ziyang's toured eleven African countries. The countries were Algeria, Egypt, Gabon, Kenya, Tanzania, Zaire, Congo, Guinea, Zambia, Zimbabwe, and Morocco. China immediately reduced the reaffirmation of China's Third World role, signaling Africa's continued importance to China. More importantly, Zhao's African trip marked China's effort to formalize politically and economically, a fresh African strategy in the framework of China's transitional development objectives and international concern (Strauss, 2009).

In an address by Zhengang at a conference at the Royal United Services Institute for studies, he stated that;

“China's foreign policy is peace-oriented. Defending our sovereignty, territorial integrity and the interests of the Chinese people, and safeguarding world peace and promoting cooperation, are the sole goals of China's endeavor. We want to establish and develop friendly relations and cooperation with all countries in the world on the basis of the Five Principles of Peaceful Coexistence, especially the principles of mutual respect, equality and mutual benefit and non-interference in each other's internal affairs. China's foreign policy is independent. At all times, we determine our policy independently on the merits of each case, proceeding from the fundamental interests of the people of China and the world as a whole. We will never act on expediency, nor will we yield to any external pressure” (Ma Zhengang, 1998).

The current policy position of China in their foreign relations is under the theme “China’s Independent Foreign Policy of Peace”. This policy is no different from the policy stance of China under Premier Zhao Ziyang in 1982. The policy propagates similar goals and strategies. The basic aim of this strategy is to safeguard the autonomy, sovereignty of the government and territorial integrity of China, and to generate a favorable global condition for reform and opening up to entire globe and for the push for globalization, to preserve international peace and encourage sustainable growth (PRC, 2003).

China in an effort to realize these goals, takes certain positions in the international system. These positions include first, undertaking a principle of independence, opposing hegemonism and protecting world peace by recognizing all other states as equal members of the international community, actively promoting the establishment of a just international economic and political order, and establishing and developing friendly relations as well as cooperation with all other states on the basis of the “Five Principles of Peaceful Co-Existence” (PRC, 2003).

China is an ardent believer that a peaceful world is not inevitable. Devotion to the "Five Principles of Peaceful Coexistence" is the PRC’s strategy for establishing and maintaining harmony between states as well as the values upon which state relations ought to be executed (Kornberg & Faust, 2005). The principles which have been the driving force of China’s foreign relations are;

1. “Mutual respect for each other's territorial integrity and sovereignty.
2. Mutual non-aggression.
3. Mutual non-interference in each other's internal affairs.
4. Equality and cooperation for mutual benefit.
5. Peaceful Coexistence”.

2.6 Conclusion

The chapter provided a contextualization of China-Africa relations in a historical and contemporary policy perspective. The PRC established extensive collaboration with the liberation movement in Africa and newly independent states between 1955 and 1978. Zhou's death led to a significant change in the policy of China in 1976. The implementation of Deng's modernization program with its economic growth objective in 1978 led in a change in China's international policy goals, and hence China's strategy toward Africa. During the 1980s, the development of China's relations with Africa shifted from an ideologically driven strategy to present-day economic pragmatism through political pragmatism. The decline in China's general position towards Africa transformed after 1989 crackdown at the Tiananmen Square.

Chinese contemporary relations with Africa can be explained within the context of three phenomena. First, the effect of the Tiananmen Square massacre; second, the development of China's economic interaction with the globe and thirdly, the recognition of the important role of Africa in the international system. China's foreign relation is based on "Five Principles of Peaceful Co-Existence".

The political consequences of China's participation in Africa are important and have implications for the continent. China's only strong political demand is that African governments recognize the PRC as the legitimate authority of China and expects African government not to recognize Taiwan nor establish diplomatic relations with Taiwan.

CHAPTER THREE

PROSPECTS, CHALLENGES, AND THREATS OF CHINA'S RELATION WITH AFRICA

3.0 Introduction

China and Africa have been increasingly interacting economically and politically since the commencement of the 21st century. China demonstrates a considerable interest in Africa in this era of economic globalization. This is due to the environmental, geopolitical, and macroeconomic situation of Africa being suitable for China in realizing its key economic development requirements. This chapter investigates the consequences of China's political and economic relations in Africa. This is accomplished by focusing on the diplomatic relations between Africa and China, especially bilateral relations and the role of the FOCAC. The main emphasis under economic relations is trade, investment and financial assistance (aid) particularly in Ghana.

3.1 China's Political Relations with Africa

3.1.1 China's Political Interests in Africa

The PRC allocates substantial effort and resources to secure the diplomatic acceptance of even smaller states in Africa, South Pacific and Central America (Taylor, 2010). According to Philip Snow, Beijing employs the use of assistance as an incentive to African states that have developed connections with Taiwan to shift their diplomatic loyalty, pursuing a decent measure to complete any project that Taiwanese engineers might have started in the nations concerned (Snow, 1995).

In a UN fundraising meeting in 2005, Chinese President Hu declared a set of assistance policies to help developing nations, explicitly excluding states without official diplomatic links to the PRC. Indeed, Hu followed Jiang Zemin's precedent. In the first-ever FOCAC meeting held in Beijing, 2000, the PRC offered debt waivers of US\$ 1.2 billion over the next two years to the weak indebted African states. At that same moment, China's foreign minister Tang Jiaxuan stated that it would exclude those nations that maintained formal relations with Taiwan (Taylor, 2010).

In the perspective of experts of China-Africa relations, the strategic importance of Africa has been on the increase due to oil production, poverty alleviation, anti-terrorism, and the UN reforms (Cheng & Shi, 2009). China has also provided Africa generous assistance offers, suggesting that China is willing to participate as a significant force in this contest (Cheng & Shi, 2009).

3.1.1 Diplomatic Relations

China attaches significant importance to diplomacy in their foreign relations. This is characterized by high-level state official visits, bilateral diplomacy, and multilateral diplomacy. This is very apparent in China's relationship with both industrialized and emerging economies. However, it seems the visit to developing countries is more frequent within Asia, Africa and Latin America (Ding, 2008). Maintaining high-level visits is, therefore, a significant element of China's international political relations. High-ranking representatives on official visits to Africa are of tremendous symbolic significance and have thus become part of the most important diplomatic strategies of China in Africa. Since the beginning of the 1990s enhanced economic involvement between China and Africa has been accompanied by enhanced diplomatic visits to Africa prior to 2000 and enhanced since 2000 (Muekalia, 2004).

In December 2003, Premier Wen Jiabao travelled to Addis Ababa, Ethiopia to attend the very first FOACAC summit in Africa. Eminent Chinese delegates toured nations in nearly every geographic area in Africa between January and June 2006. China's Foreign Minister, Li Zhaoxing visited Liberia, Cape Verde, Mali, Senegal, Nigeria in West Africa and Libya in North Africa. In 2006, Chinese President Hu Jintao toured Africa. In April, he visited Morocco, Nigeria, and Kenya. In June of the same year, Premier Wen Jiabao also toured Africa. He visited Angola, Tanzania, South Africa, the Republic of Congo, Uganda, Egypt, and Ghana.

Official visits are often for a very strategic reason. Apart from the geographical significance of all the regions of Africa that receive delegates of importance from China, some countries are advantageously important to China. Angola and Nigeria for instance, are significant oil producers in Africa, thereby making them a source of oil imports to China. Another strategic ally of China in Africa is South Africa which is regarded as the powerhouse of Africa in terms of development (Lafargue, 2005; Rich & Recker, 2013)

It is also clear and evident that most African states see China as an important ally. Considering the economic status of China, most states view them as an important and development partner (Akufo-Addo, 2018). Like South Africa, most African countries including Ghana have also had some increased interaction with China in this new century. Ghana and China have both worked to intensify collaboration in different areas, strengthening the current cordial ties between their governments to the mutual advantage. The relationship between China's People's Republic and Ghana dates back to 1960 when diplomatic relations were first established by the two countries. Ghana has since given significant diplomatic assistance to the PRC which also supported Ghana's growth with material and economic assistance. For instance, Ghana's National Theatre was constructed by China in the early part of the 1990s as a recompense for Ghana's diplomatic support throughout the Tiananmen Square protests in 1989 (Sarpong, 2015).

Every President of Ghana within the fourth republican dispensation has visited China. This is, however, reciprocated by the Chinese through different levels of state visits. The most recent was the state visit by the President of Ghana Nana Addo Dankwa Akufo-Addo in September 2018 when he attended the FOCAC summit in Beijing. There were bilateral talks during the Conference between Ghana and China, which ended with President Xi Jinping describing Ghana as a “trustworthy friend and a good partner for development”. What is interesting is what will make President Xi Jinping describe his Ghanaian counterpart as such. The bilateral talks between the PRC and Ghana however led to the signing of eight (8) major agreements. They included:

- “One belt one road Memorandum of Understanding
- Memorandum on Regional Aviation Cooperation
- Agreement for Cooperation in the peaceful use of nuclear energy
- Cooperation to carry out Maternal and Child Health Project
- Framework Agreement on Financing Insurance Cooperation (\$ 2 billion Sino-Hydro deal)
- Economic Cooperation on Phase 2 project of the University of Health and Allied Science in Ho
- Cooperation on the expansion of the Cape Coast Stadium
- Cooperation on the supply of police vehicles to the Ghana Police Service” (MFARI, 2018)

In addition to the eight major agreements, President Xi Jinping made some pledges to the government of Ghana. These were provision of a \$30 million grant to Ghana to help effectively implement President Akufo-Addo's economic policies, \$7.3 million grant in military assistance to help in the construction of the headquarters of the Ghana Armed Forces, commitment to increase number of scholarships to Ghana, cooperating with Ghana to tackle the perennial problem of illegal mining of which most culprits are Chinese and above all stressed the endorsement of Ghana’s vision to go beyond aid.

3.1.2 The Importance of FOCAC in China Africa Relations

Official China-Africa relations dates back to the 1950s at the Bandung conference. China established the FOCAC in an attempt to formalize bilateral commitment, to curtail the treaties concerning China-Africa and reinforce Sino-African collaboration (Cisse, 2012). FOCAC is a multilateral stage for pragmatic mutual consultation and dialogue between Chinese and African leaders which was established in October 2000 by leaders from China and Africa in Beijing (FOCAC, 2004; Jansson, 2009; Ian Taylor, 2010). FOCAC complements China's bilateral relations with different African countries by offering a forum where China and African officials set the course to strengthen their relationships. FOCAC is a continuation of the PRC's policy plan toward Africa aimed at strengthening economic, political and diplomatic ties (Cisse, 2012). Since 2000, the "go out" policy of China has enhanced investment and trade in Africa through Chinese SOEs.

Historically, FOCAC is seen as a continuum of the 1955 Bandung Conference (Enuka, 2010). What was prevalent to the participating countries was their history of colonialism and perception of Western dominance. In principle, Bandung also discussed the spirit of common prosperity, respect for equality, justice, peace, and the growth of the developing world as a whole, depending on its independent status. The significance of the Bandung Conference today and what it stood for can be seen as one of the key pillars informing China's foreign policy commitments with the developing world and indeed China Africa relations, with FOCAC becoming the platform for dialogue on collaboration and consultation in the strategic cooperation between China and Africa (Enuka, 2010).

The forum which alternates between Beijing and African cities every three (3) years have been held seven (7) times beginning with China, Beijing in 2000. The subsequent Conference were held in Ethiopia, Addis Ababa in 2003, China, Beijing in 2006, Egypt, Sharm el-Sheikh in 2009, China, Beijing in 2012, South Africa, Johannesburg in 2015 and, China, Beijing in 2018

(FOCAC, 2018). The China-Africa forum's first ministerial meeting in October 2000, held in Beijing, China, produced two papers. The first is the “Beijing Declaration of the Forum on China-Africa Cooperation”. The first paper spelt out the basic objectives and principles of the forum. The second paper is the “Beijing Program for China-Africa Cooperation in Economic and Social Development” which spells out of the technical framework for collaboration in several fields which includes intergovernmental partnership, infrastructure, agriculture, natural resources, health, investment, debt relief, trade, tourism, education and technology (Eneka, 2010).

These declarations underline the important purpose of collaboration between China and Africa in addressing both global and national factors connected with economic development, a departure from the relationship between Africa and their Western counterpart. It is plausible to distinguish three main objectives of the Sino-Africa relationship as contained in the Beijing Declaration. First, by eliminating the poverty of the majority of the population by encouraged mutual economic development. Second, China and Africa strive to foster their global competitiveness and economic globalization capacity as a means of raising their global status. Third, to create collaboration in order to reinforce their negotiating position with the North in order to create a new, equitable and fair global political and economic order. This was in reaction to globalization's inability to foster equal relationships (Eneka, 2010).

Over the past years, FOCAC's experience has proven to be a significant platform and dialogue mechanism to strengthen collaboration and solidarity between China and Africa and to safeguard common interests. This strategy to enhancing China's ties with Africa is quite distinct from that handled by Africa with its traditional partners in growth. The future of relations between China and Africa is definitely shifting into a rapidly developing period.

3.2 China's Economic Relations with Africa

3.2.1 China's Economic Interests in Africa

The PRC embraces financial globalization which extends the scope of its trade and investment. As a result of this, Africa has emerged as a progressively significant economic partner. China adopted a policy known as resource “diplomacy”. China's resource diplomacy implies adapting its foreign policy to promote its domestic growth approach to an unmatched stage by promoting government firms to enter into exploration and supply agreements with resource-producing countries.

Chinese economic relations with Africa is largely driven by strategic linkage among three channels of trade, aid and investment. The beginning of this century has seen China's increasing demand for natural resources particularly oil and minerals and raw materials. These have been the main factors promoting the remarkable development of trade and investment flow from China to Africa. In particular, the oil trade has drawn a lot of attention. In 1993, China became a net oil importer, and 45% of its oil production was anticipated to be dependent on exports. According to the U.S. Department of Energy Information Administration, China accounted for 40% of international oil supply development from 2002 to 2004 (Zweig & Jianhai, 2005), overtaking Japan as the second biggest importer of oil in 2003. This underpins China's close connections to oil-rich African nations like Angola, Nigeria, and Sudan in recent years.

China became a net oil importing nation in 1993 and began an "outward-looking" oil economy strategy from 1995 (Taylor, 2004, p. 4). The quest for energy security is such a significant component of the PRC's economic policy that it has been granted ministry status to “China Petroleum and Chemical Corporation (Sinopec), China National Petroleum Corporation (CNPC) and China National Offshore Oil Corporation (CNOOC)” and linked to the State Economic and Trade Commission (Taylor, 2004). China's domestic oil use is largely

dependent on oil import. As a result, China has established strong links with oil-producing nations in Africa, including Sudan, where CNPC owns about 40% of the most significant oil enterprise in the country. In other oil-producing states, such as Angola, Nigeria, Gabon, and Equatorial Guinea, China has made inroads in Africa.

China's economic interests are not restricted to oil and energy. Since the 1990s, there have been a growing number of joint ventures and investment projects, as well as rapid trade growth. China's growing trade surpluses and international reserves are supporting China's foreign investment which the Chinese officials have also promoted (Alden, 2005; Bodomo, 2009). Such investments seek to guarantee China's energy and raw material availability and expand its goods, facilities and business stocks (Renard, 2011).

3.2.2 China's Trade Relations with Africa

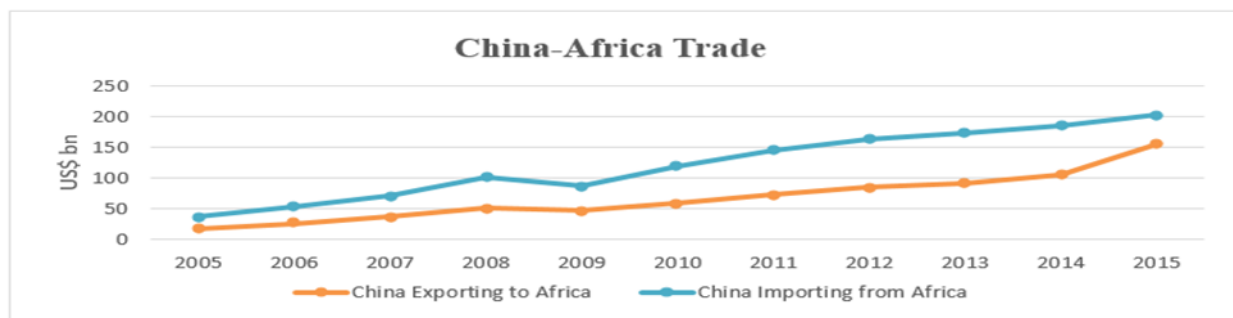
Many reports create the notion that China's trade with Africa is a latest development. In reality, they date back several decades, particularly at the beginning of the postcolonial period of Africa. Nevertheless, it is true that China's current trade and investment flows with Africa are unprecedented in scale and speed (Rotberg, 2009). As part of the open-door policy, China decided to open up to the outside world in the early later part of 1980. This meant that China was going to increase its economic engagement, including trade not only with Africa but the world at large. The open-door policy of China meant that China was going to take certain policy measures in order to realize its objectives as has been discussed in Chapter 2. The open-door policy of China saw a massive shift in their economic fortunes. China ranked 32nd in the international export market in 1978 but doubled its world trade by 1989 and became the 13th biggest exporter in the world (Wei, 1995).

The average annual level of trade development was above 15% between 1978 and 1990, and a strong growth rate persisted for the next decade. China's export to the world market in 2000

was still less than 5%. However, according to the WTO, China's share of export in the world market had reached 10.4% with export revenues of more than \$1.5 trillion which was the world's largest (Husted & Nishioka, 2013). In 2013, China surpassed the USA to become the world's biggest trading state in goods with an estimated total value of \$4.16 trillion per year for imports and exports (Pigato & Tang, 2015; Rushton, 2014).

For a very long time, the USA was Africa's biggest trading partner. China's economic fortunes coupled with its industrial and economic development made China compete with the world's leading market economies like the USA, United Kingdom (UK), South Korea, Japan, France, Germany, among others. This trend changed when, in 2009, China surpassed the US to become Africa's biggest trading partner. Recently, China has outperformed Europe as the biggest export partner in Africa, and regional economies are becoming progressively susceptible to changes in global commodity prices and demand conditions in China (Pigato & Tang, 2015).

The trade relations between 2005 and 2015 is clearly depicted in fig 3.1. Statistics recently indicate that there has been a considerable increase in exports from Africa to China. In 2005, China's import from Africa stood at about US\$ 19 billion, while its share of export to Africa stood at about US\$18.6 billion (CARI, 2019). By 2010, China's import from Africa was US\$ 60.27 billion and rose to an all-time high to more than US\$80 billion in 2013 and reduced to US\$ 47.5 billion in 2015. Within the same period, China's export to Africa stood at US\$18.6 billion in 2005, rose to about US\$60 billion in 2010, US\$85.13 billion in 2013 and reached an all-time high of about US\$155.70 billion in 2015 (CARI, 2019). Trade is unbalanced between the two regions, with the scale being in favor of China. This imbalance is due not only to China's trade profile but also to China's surplus manufacturing ability and the tendency to export goods through third states (Alden, 2005).

Figure 3.1 China Africa trade relations

Source: Johns Hopkins China-Africa Research Initiative

China biggest export partners in 2015 were the United States, Hong Kong, Japan, Korea Republic, and Germany. China's export to the US was worth US\$ 409,979 million. China exports to Hong Kong stood at US\$ 330,463 million, export to Japan was worth US\$ 135,616 million. China exports to the Korea Republic was worth US\$ 101,286 million. China exports to Germany was worth US\$ 69,155 million. However, in the same year, China's total export to Africa stood at US\$155.70 billion out of the total US\$ 2,274 billion of its total export to the world market (CARI, 2019; WITS, 2019). The total percentage of Africa in the whole export was just about 6.8% when USA's share of China's export was approximately 18.03% which is much higher than that of the entire continent of Africa (WITS, 2019).

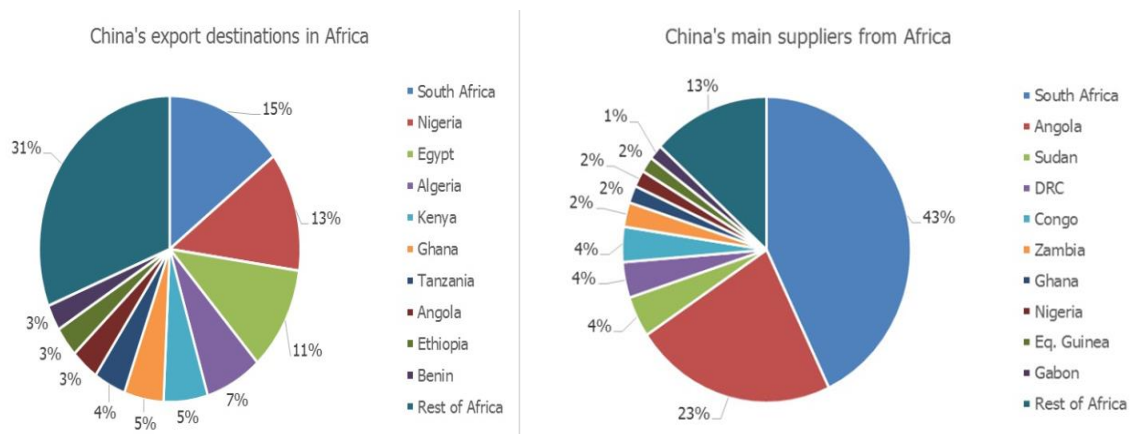
In terms of China's import, her biggest trading partners in 2015 were the Korea Republic, United States, and Japan. Statistics show that Chinese import from the Korea Republic was worth \$174,506 billion representing 10.39 % of China's total import. China's import from the US, which was the second-biggest import of China was US\$ 148,693 billion, which represented 8.85% of China's total import (WITS, 2019). From Africa, China's import was worth US\$66,186 billion, representing less than 4% of China's import. That notwithstanding, there has been an increasing trend. In 2005, Africa's export to China was only US\$19,223 billion and reached US\$ 59,877 billion in 2010 (WITS, 2019). Data from WITS indicate that China's largest source of its import is East Asia and the Pacific, followed by Central Asia, North

America, and Europe. Statistics recently suggest that there has been a significant increase in Africa’s exports to China, but these rises can be ascribed almost entirely to oil exploration and exports, without which trade imbalances would be severe (Pigato & Tang, 2015).

In Africa, China sources its imports from several countries. China’s import from Africa is dominated by resource rich countries. Of these countries are also mainly oil rich countries.

Figure 3.2 shows data of countries that dominate import base of China in Africa. The main countries are South Africa, Angola, Sudan, Democratic Republic of Congo, Congo, Zambia, Ghana, Nigeria, Equatorial Guinea, Gabon and others. The Figure shows their percentage of the import of China from the highest to the least. What is clear with these countries are that all of them are resource rich countries and have various arrangements with China. In terms of export destination too, South Africa, Nigeria, Egypt, Algeria, Kenya, Ghana, Tanzania, Angola, Ethiopia and Benin dominate.

Figure 3. 2 China’s trade destination in Africa (Import and Export)



Source: Tralac Trade Law Centre NPC (tralac.org)

To understand the effect of China’s trade relationship with Africa, trade between Ghana and China is examined.

3.2.2.1 Trade between China and Ghana

The value of China's trade and investment in Ghana has grown significantly since 2000. Over the years, China had become a significant source of imports to Ghana (Frimpong, 2013). The volume of total import to Ghana from 2005 to 2015 stood at GHC 202 billion, and the total volume of Ghana's export within the same period stood at GHC 193 billion. Import from China from 2005 to 2015 is valued at GHC 32 billion while Ghana's export to China stood at GHC 9.2 billion. Considering the data from the MOTI, trade between China and Ghana resulted in a balance of payment deficit GHC 22.9 billion. It must, however, be noted that China's total export to Ghana is just about 15.9%, while China's share of Ghana's export is 4.8%.

Figure 3.3 Ghana's Import and Export to China (Denominated in Ghana Cedi)



Source: Ministry of Trade and Industry, Ghana

A number of findings can be found in the area of trade. First, China's total share of Ghana's total exports is quite low. Indeed, China has continuously recorded less than 5% of Ghana's exports since 2005. This contrasts sharply with Ghana's general export performance, which in latest years has shown a relatively continuous favorable trend. For instance, between 2005 and 2010, the total value of Ghana's import from China increased from GHC 4.3 billion to GHC 12.5 billion and to GHC 45.8 billion in 2015. Over the same period, exports to China only increased from GHC 338.5 million to GHC 1.5 billion and GHC 8.6 billion in 2015. The increasing volume of Ghana's imports from China as opposed to other countries' declining

market share can be attributed in part to the affordability of China's imports as related to other traditional Ghana import sources.

This rise was mainly driven by a surge in imports of manufactured goods, and this observation has significant adverse consequences for the industrial sector development in Ghana. However, on the other side, the obtainability of low-priced manufactured goods could boost the general welfare of Ghanaians, particularly low-income consumers. To determine the general impact, critical cost-benefit analysis is needed.

In explaining trade between China and Ghana, the commodity structure obviously indicates that resource-endowment explains much of primary commodity trade while competitive advantage explains most of the manufactured goods. The endowment-based theory of comparative advantage offers a straightforward and simple structure for understanding African countries' trade patterns. Though African exports to Asia mostly does not show an important trend of product diversification, inter-sectoral complementarities exist between Africa and Asia and between Africa and China in particular. This is true for a specific context, where Africa is a major producer of raw materials, including energy resources, and China is a provider of manufactured products (Rotberg, 2009).

Africa's rich resource endowment presents a unique comparative advantage based on resource-based products and raw materials. On the other hand, China has a rich base of skilled labour relative to Africa and therefore has a comparative advantage in manufactured products. The effect of this is reflective in the trade pattern of China and Ghana. Table 3.1 depicts the nature of trade in terms of products imported to Ghana from China and the products exported from Ghana to China.

Table 3.1 Main Imports and Export of trade between China and Ghana in 2015

Main Import	Amount (GHC million)	Main Export	Amount (GHC million)
Machine gun	404,156,953.50	Petroleum oils and oils obtained from bituminous minerals, crude	3,474,883,284.05
Gas turbines of a power >5000kW	358,002,223.89	Cocoa beans, superior quality raw beans	158,505,397.26
Herbicides, anti-sprouting products and plant-growth regulators: Other	326,756,158.54	Manganese ores and concentrates, with a manganese content of >20%	149,416,030.51
Glazed ceramic flags and paving, hearth or wall tiles, etc.	301,758,878.85	Bauxite Ores	120,896,333.07
Boilers for central heating	184,545,892.31	Coniferous wood sawn or chipped lengthwise, sliced or peeled, >6mm thick	65,980,535.61
Machines, having individual functions	183,724,717.69	Mahogany, Tropical Wood sawn /chipped, subheading note 1 to this chapter	42,202,361.66
Other cartridges and parts thereof: Cartridges	145,432,044.94	Sesame seeds	24,685,080.18
Transformers, power handling capacity >500kVA	130,951,800.40	Cashew nuts, in shell	15,081,698.73
Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel: Other: Of circular cross-section measuring > 5.5mm in diameter	128,604,800.47	Cocoa shells, husks, skins, and other cocoa waste	8,939,370.90
Insecticides: Put up for retail sale: Of the type use for agricultural purposes: Other	125,276,927.61	Frozen flat fish (excl. halibut, plaice and sole)	4,193,229.40

Source: Ministry of Trade and Industry, Ghana

The nature of China Ghana trade is symbolic of the classic “North-South model”, with most raw materials being exported from Africa and mostly value-added products being imported to Africa. The nature of China Africa trade is not symmetrical, with Africa importing a broad range of consumer and capital goods and exporting predominantly primary commodities, particularly oil, minerals and other natural resources (Guixan, 2005). In recent years, this trend has become even more extreme as agricultural products now account for just about 5% of Africa's total exports to China (Pigato & Tang, 2015).

The gains from China's increasing demand for African products are threatened by the volatility of high demand (Chen et al., 2005). This is further magnified by the reality that multinationals produce a considerable proportion of China's manufacturing exports, some of which have transferred their manufacturing facilities to China (offshoring) from elsewhere. As a result, enhanced demand from China is likely to be a manifestation of the movement of production. China considers Africa suitable for its products and consumable goods. To know the impact of China's exports on Africa, it is essential to explore the importance of African imports from China compared to the share and product of each country.

While the condition of enhanced trade terms is possibly encouraging for Africa's extractive sector, "export-dependent oil enclave economies" risk propping up in Africa. An "export-dependent oil enclave economies" enhance exploitation and elite enrichment, with the gains not likely to trickle down to the consumer. African agricultural exports to China have the lowest annual growth rate in any category of trade. Whereas production volumes and logistical constraints drive this trend in Africa, significant trade protection also plays a vital role in the Chinese economy.

Businessmen from Ghana import sub-standard goods from China by ordering product specifications of low quality. This was authenticated by companies in China, which said that Chinese companies usually do not manufacture substandard products but produce according to the specifications of Ghanaian importers. Chinese goods are of various quality grades and are aimed at various kinds of customers. Most Chinese products are of low quality on the Ghanaian market and prices are comparatively low. Therefore, they serve the requirement of low-income groups in essence. These groups of customers profit to a reasonable degree from the inflow of Chinese goods. Although Chinese manufacturers have access to inexpensive labour and excellent infrastructure, access to big markets such as Ghana has promoted economies of scale and has beneficial impacts on Chinese manufactured goods prices.

3.2.3 Chinese Aid to Africa

China's characterization of what constitutes foreign aid is broad and sometimes vague. As pertains to traditional donors, the PRC's interpretation of what the term "aid" is can be regarded as corresponding to the OECD-Development Assistance Committee (DAC) definition. Nevertheless, foreign aid policy of PRC has a broader and more ambiguous scope. To interpret China's aid policy, divergent approaches must be assumed. One approach assumes aid is defined by the PRC in two distinct formats. The PRC defines aid as cooperation and ODA. Cooperation relating to FDI and partnership with Chinese firms through contracts, while ODA relates to concessional loans, grants and debt relief (Davies, Edinger, Tay, & Naidu, 2008).

The OECD countries have traditionally dominated the foreign aid arena in Africa. Non-traditional aid donors like China, however, have emerged over the last three decades. In sub-Saharan Africa, China is now the biggest non-traditional aid donor. Aid is a significant policy tool for China (Sun, 2014a). China's foreign aid to Africa is a significant tool related to its strategic and political goals (Kaplinsky & Morris, 2009; Taylor, 1998). China's delivers its aid either through grant aid, interest-free loans, concessional loans or debt relief (Davies et al., 2008). Chinese official foreign aid is in eight categories; "technical cooperation, human resource development cooperation, emergency humanitarian aid, volunteer programs, complete projects, goods and material, volunteer programs and debt relief" (Sun, 2014a). China commits huge amounts to Africa in the form of aid, which is long-term repayable loans.

Historically, the PRC's aid policy was based on equal partnership, mutual benefit, respect for sovereignty, compliance with commitments, and improving the self-reliance of aid recipients. Between 1994 and 1995, the aid policy of China in Africa underwent significant changes. These were executed in three primary forms. Firstly, the introduction and implementation of new mechanisms linking trade, aid, and investment between China and Africa. Second, the development and financing of programs connecting foreign aid with economic collaboration.

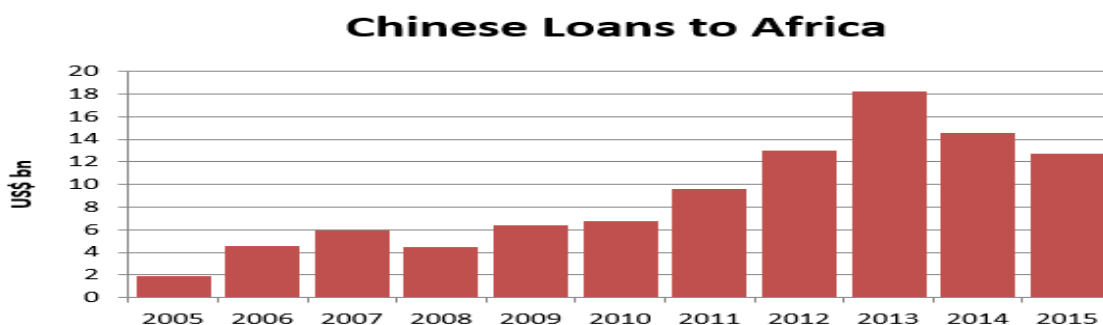
And lastly, the modelling of China's portfolio of tools to support state restructuring. In a white paper presented by PRC in 2014,

“China’s foreign assistance is to support other developing countries to reduce poverty and improve the livelihood of their peoples. China prioritizes supporting other developing countries to develop agriculture, enhance education level, improve medical and health services and build public welfare facilities, and provide emergency humanitarian aid when they suffer severe disasters” (PRC, 2014).

Chinese banks have increased in size and impact has risen substantially in recent years. China Export-Import Bank (CHEXIM) and China Development Bank (CDB) are the two leading banks in existence and practice. China also played a significant role in setting up the Asian Infrastructure Investment Bank and at least 13 smaller regional funds. Though some of China's loans may be regarded as concessional or preferential, commodity-backed loans are typically provided at comparable prices to international capital markets (Brautigam, Diao, McMillan, & Silver, 2017). CHEXIM, one of the three Chinese policy banks that execute public directives and whose activities are subsidized by the government, manages concessional loans (Rotberg, 2009).

China offered Africa US\$ 10 billion as concessional loans funding from 2009 to 2012. In 2013, China doubled its commitment to US\$ 20 billion from 2013 to 2015. **Figure 3.4** gives an elaborate illustration of loans China advanced to African countries from 2005 up to 2015.

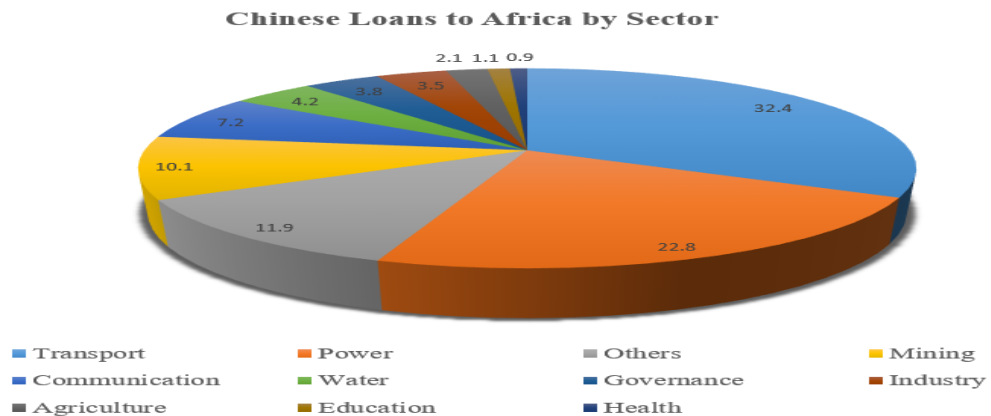
Figure 3.4 Chinese Loans to Africa (2005 – 2015)



Source: Johns Hopkins China-Africa Research Initiative

As depicted in **figure 3.5**, China’s aid in Africa is diverse and can be found from telecommunications to health and in almost all sectors. Transport, power and the communications sectors take the biggest quantity of aid financing. A vital share of approximately 70% is focused on the development of infrastructure. Chinese infrastructure aid outpaces that of the other donors' aid. It represents more than 30% of the overall value of Africa's infrastructure projects. The education, health and agriculture sectors of Africa have also profited considerably. However, the amount committed these sectors lags behind the other sectors like transport and energy.

Figure 3. 5 Chinese loans to Africa by sector



Source: Johns Hopkins China-Africa Research Initiative

Statistical proof indicates that China is providing more assistance to oil-rich countries in Africa than any other African states. Over the past ten to fifteen years, nearly the majority of the top ten recipients of Chinese aid gave access to oil wells and gave first priority in exchange for oil prospects. Nigeria, Sudan, and Angola are clear examples of such phenomena. Most of these aids go-to energy infrastructures like oil pipelines and hydro-dams.

3.2.3.1 China’s Aid to Ghana

China in recent years, has turned out to be an important development partner to Ghana. Like Chinese aid to Africa, Ghana’s share of Chinese aid has generally been grants, loans and technical assistance loans have taken the form of either interest subsidized preferential loans

(concessional loans) and interest -free loans as granted by China through their Ministry of Commerce (Mohan & Lampert, 2013; Tsikata, Fenny, & Aryeetey, 2008).

China made available to Ghana concessional loan of an amount 250 million yuan (\$30 million), which was the threshold for Ghana in 2006. The full sum was given to the Ghana government to fund the first stage of the National Communications Backbone Network Project which was duly executed by Ghana's Ministry of Communication. The aim of the project was to connect all regional capitals and 36 cities in Ghana to the internet. In 2007, the first stage of an ICT infrastructure project called the "Dedicated Communications Project for Security Agencies" was given a second \$30 million loan. The objective of this project was to create ICT infrastructure for the numerous safety organizations in Ghana, including Fire Service, Police Service, Immigration, Customs, Prisons, Ministry of Defense and National Security and the Ghana Armed Forces (Tsikata et al., 2008).

Another way in which China provides aid to Ghana is through technical assistance. This primarily came in the form of infrastructure development. Initiatives such as the National Theater, the construction of a rice mill, an agricultural cooperation project the Nobewam Farmland Irrigation Project, the Ghana Vocational and Technical Training Center, and the Afeji Irrigation Project and Grain Depot are all examples. Over the years, the PRC has given Ghanaians scholarships to study in China in the field of human resources development and has held training classes and seminars in the country. In 2006, the training programs and seminars benefited more than 300 Ghanaian experts and bureaucrats (Tsikata et al., 2008).

Grants and interest-free loans have also been given by the Chinese government to Ghana. In coordinating grants, the Chinese government usually provide the funds before negotiating on how to use the funds. In adding to grants and interest-free loans, the PRC has assisted Ghana

in debt relief and has written off \$25 million of Ghana's debt to China since 1985 in 2007 (Tsikata et al., 2008). Table 3.3 illustrates some major Chinese aid projects in Ghana

Table 3.2 Some Major Chinese Aid projects in Ghana

Sector	Project
Energy	Atuabo gas project (US\$ 1 billion out of 3billion loan sourced from CDB)
	The Bui Hydro Electric Dam (\$562 million loans)
Health	100-bed capacity Teshie General Hospital (\$7.3 million Chinese Government grant)
	60-bed capacity Dangme East District hospital
	Kpong Water Works project (\$260 million, loan)
Agriculture/Fishing	landing sites for some fishing communities (\$99 million interest-free loans)
Education/Culture/Capacity Building	Scholarship packages (between 2013 and 2014 for example, the Chinese Government provided some Ghanaian students with about 111 Chinese Government scholarships)
Sports	The Esipong sports stadium (partly financed by China through a Chinese soft loan of \$39 million, while Ghana also contributed \$275 million)
	The Cape Coast Sports stadium, on the other hand, is an ultra-modern 16,000 capacity multi-sports complex facility (solely funded by the Chinese government with an amount of \$30 million as a grant)

Source: Nyamekye-Acquah (2018) Combating ‘Galamsey’ In Ghana and Its Implications for Ghana-China Relations

China's objective is to capitalize on the viability and flexibility of projects to meet local circumstances in recipient countries. However, it makes it also makes it difficult to determine which component of the funding is or should be categorized as an aid. A rather convincing argument is that the PRC effectively bears the difference in the interest rates of Africa's concessional loans and similar commercial loans. China's use of African labour is restricted. Even where Africans want jobs, there is often no job available. China has in abundance of its

own cheap labour, Africans are mostly left out as Chinese perform even menial labour, much less management or technical work (Rotberg, 2009).

China is gradually replacing traditional aid donors in the infrastructure sector. Most of the aid projects funded by China are executed the same by China. For instance, the Bui Dam was constructed by China's Sino-Hydro, the Atuabo Gas processing plant led by China's Sinopec International Petroleum Services Corporation, 100-bed capacity Teshie General Hospital was constructed by China Geo-Engineering Corporation (CGC) (Nyamekye-Acquah, 2018). It ought to be clear that in the latest years, China's aid has been dramatically intensified by fostering deeper diplomatic relations with Ghana. Therefore, it is probable that the significance of China as an aid partner will increase substantially in the foreseeable future.

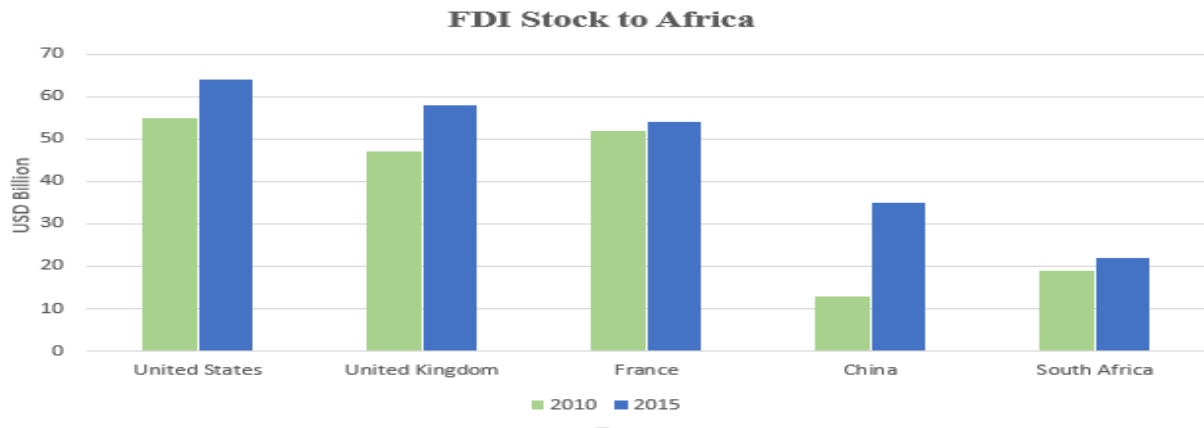
3.2.4 China's Investment in Africa

The PRC initiated a 'go out' policy in the late 1990s as part of the PRC's effort to promote Chinese investments abroad. Africa has seen an increased interest in investment from China. A number of important strategic factors motivate China's FDI to Africa. The primary objective is to invest in specific industries and sectors that contribute to the overall foreign policy goals of China and also create strong firms that will be competitive in the global market (Davies et al., 2008). Therefore, Chinese investment in Africa is more often state-driven than by the market. There are four broad categories of Chinese investors in Africa. They include; Central State owned firms, Provincial State-owned firms, Chinese private firms incorporated in China and small private migrant firms

China's increasing interest in Africa has been to seek new opportunities for investment in Africa by often entering into joint ventures with either domestic or foreign firms. For the most part, African governments welcome Chinese FDI, which provides urgently needed support for Africa, especially considering the decrease in FDI from developed countries (Alden, 2005).

Statistics indicate a steady growth in Chinese investment in Africa. China's FDI share in Africa rose from about 1% in 2005 to approximately 9% in 2015. However, China's FDI to Africa still lags behind FDI from the USA, the UK, and France (see **Figure 3.6**).

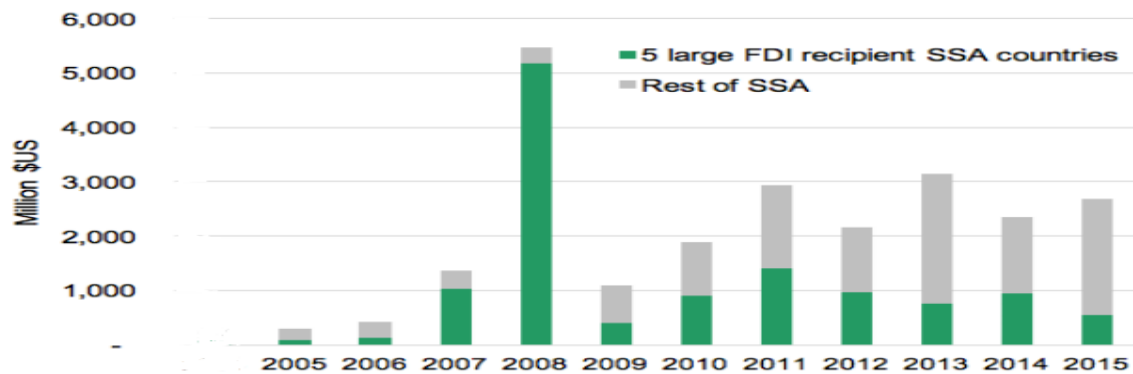
Figure 3.6 FDI Stock to Africa (2010 and 2015)



Source: UNCTAD (World Investment Report 2017 - Investment and Digital Economy)

Chinese FDI flow to is dominated by resource rich countries. However, critical look at recent data suggest that FDI flow China is beginning to diversify both in terms of location and sector.

Figure 3.7 shows that after 2008, Chinese FDI flow to Africa has been a shift from the 5 main or traditional recipient countries; Democratic republic of Congo (DRC), Nigeria, South Africa, Sudan and Zambia that are resource rich countries to other parts of Africa, that are into high-growth countries that may not be necessarily resource rich. The percentage of the rest of Africa in Africa accounted for about 2% of the total FDI in 2005 and by 2015 has reached almost 9%. While the stock of Chinese FDI in mining and construction still account for about 54%, the manufacturing stock of FDI also improved to 13% in 2015.

Figure 3. 7 China's FDI Flow to Africa (large recipient and the rest of Africa)

Source: Johns Hopkins China-Africa Research Initiative.

China's FDI to Africa is strongly related to trade and aid. Over the past 10 years, there has been a rise in China's FDI to Africa, which is in line with enhanced trade between China and Africa. That notwithstanding, China's FDI to Africa remains relatively low in terms of China's total FDI flow from China to Africa. In 2007, Africa's share of the total FDI from China was 5.9% (Kaplinsky & Morris, 2009).

The level of FDI outflows from China, however, is quite impossible to know for sure, as estimates from distinct sources differ extensively. Chinese investment is often harnessed by offshore companies registered in places such as Hong Kong, Cayman Islands and others (Pigato & Tang, 2015). Like trade trends, China's FDI to Africa is dominated by a few resource-rich states like Angola, Nigeria, and South Africa.

Chinese firms have invested in Africa in numerous industries, including energy, transportation, agriculture, and trade. Also, Chinese companies have boosted their investment in construction, mainly through infrastructure development projects. In 2006, the majority of FDI flows from China to Africa went into the transport and telecommunications, business services, mining sector, finance, wholesale and retail trade and manufactured goods. Chinese investment is usually done by firms which are either controlled by a central authority or the local authority. Chinese firms (medium to large scale) invest mainly in the area of telecommunications,

manufactured goods, and wholesale trade (Renard, 2011). These firms usually operate with government loans and grants sourced from state-owned banks (Kaplinsky & Morris, 2009). There are also small firms found mainly in the retail and light industry sectors. While small firms undoubtedly play a significant role and are present in most African nations, official statistics do not adequately capture them. The three major investors in terms of stocks in Africa are state-owned oil companies; CNPC, CNOOC, and Sinopec (Davies et al., 2008).

Africa lacks adequate infrastructure which has been identified as a critical aspect and a driver of the development of any economy. In a survey conducted by the Africa Infrastructure Country Diagnostic (AICD), It reports that Africa needs \$93 billion, annually, to address the infrastructure sector's shortfall. Historically, infrastructure has been one of the primary industries in which China's African investment has entered. China has advanced fields and competitive services based on the construction of significant infrastructure projects in China with unique knowledge in the execution of public works. More than 35 African countries are involved in infrastructure funding agreements with China. Notable are Nigeria, Angola, Sudan, and Ethiopia being the biggest recipients. China's commitments to infrastructure in Africa has seen some tremendous boost. In 2007, China funded 10 hydroelectric projects worth \$3.3 billion, increasing Africa's hydroelectric capacity by 30%. China, as part of its an investment in information and communications infrastructure of Africa provided almost \$3 billion, usually in the form of providing domestic firms with equipment. The main beneficiaries of this initiative have been Ethiopia, Sudan, and Ghana.

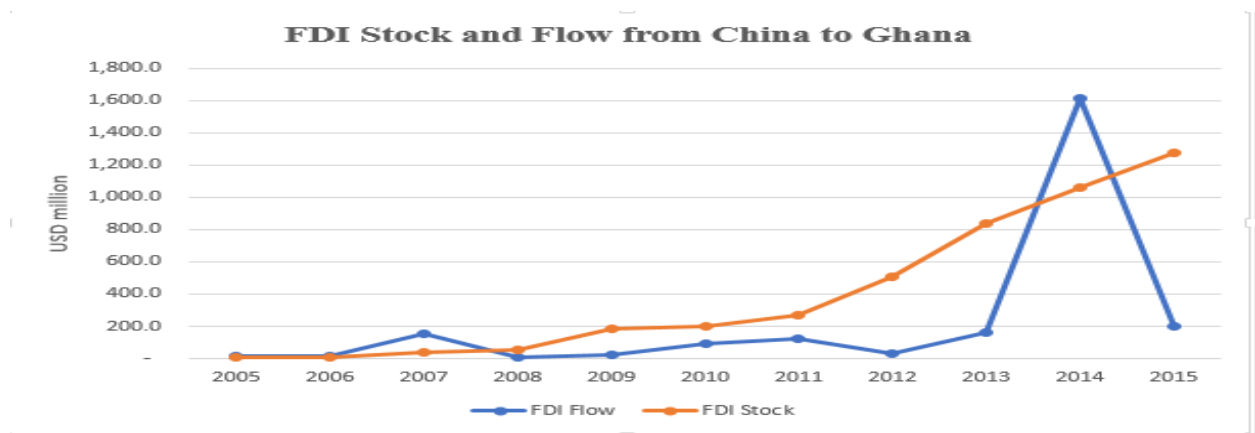
Kaplinsky and Morris (2009) argue that Chinese companies, with the exception of small and medium-sized enterprises in pursuit of rapid, short-term gain are less averse to risk than those from the West. In 2015, China accounted for only about 5% of global FDI in Africa. Africa is much more dependent on China for its trade rather than FDI

Part of the strategies of China is to use investments to establish long-term relationships with governments. In addition to these strategies, Chinese investment in Africa has purposely been moving towards manufacturing, which is meant for export to European and North American markets. This is necessitated by two important phenomena; Firstly, China profiting from the various African trade contracts under the United States African Growth and Opportunity Act (AGOA) and the European Union Cotonou Agreement (Alden, 2005). Secondly, China is able to avoid sanctions imposed by the United States by exporting from third countries. Investments have also been motivated for these reasons, especially in the clothing and textile industries (Gelb, 2005), and also in the agricultural sector (Alden, 2005).

3.2.4.1 China's Investment in Ghana

Over the previous decade, Ghana has greatly profited from China's investment to the continent of Africa. It has been established that Chinese FDI is mostly to oil producing countries. The diversification of Chinese FDI to Africa has seen a great boost in Chinese FDI to Ghana like other African countries. It must be stated that Ghana is now an oil-producing country after discovering oil in commercial quantities in 2007. Prior to that, Chinese investment in Ghana was very tangible. Chinese FDI stock keeps rising year after year. In terms of FDI flows, China hasn't been constant as they rise and fall between the period under review. In 2005, Chinese FDI to Ghana was over \$100 million. It increased to about \$190 million in 2007 and dropped again in 2008 and 2009. By 2014, Chinese FDI had reached about \$1.6 billion. **Figure 3.8** gives an illustration of Chinese FDI stocks and flows in Ghana.

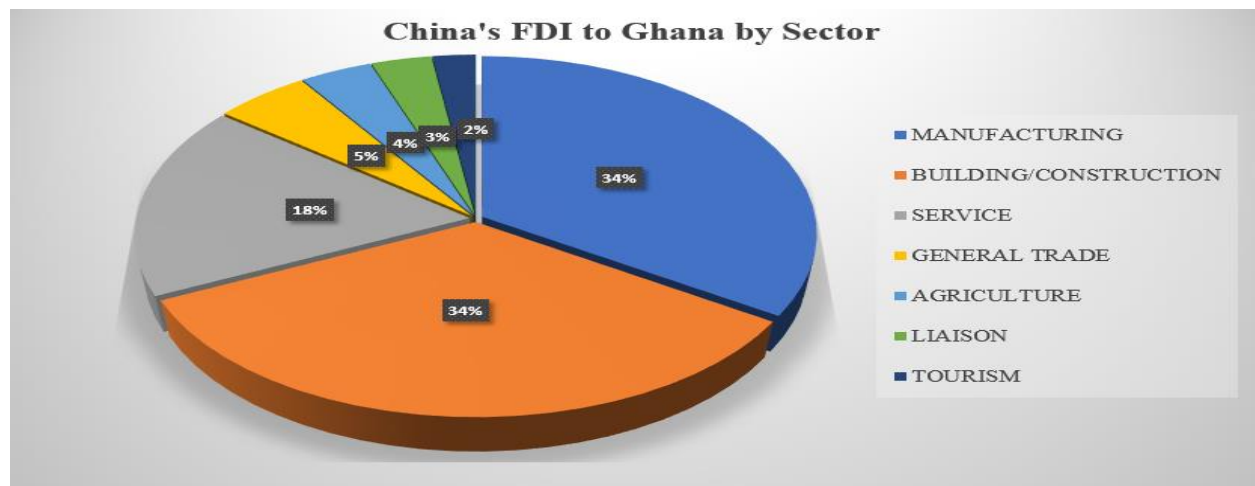
Figure 3. 8 FDI Flow and Stock from China to Ghana (2005-2015)



Source: Authors calculation based on figures from Ghana Investment Promotion Centre (GIPC)

Majority of these investments were directed at the manufacturing (34%), building and construction (34%) sector while the agricultural sector only saw 4% of investment from China. This is illustrated in **figure 3.9**. Despite the increase in Chinese investment, the share of the total investment of China in Ghana still remains below that of the USA and the UK. China is not yet a significant investor in Ghana, but it is becoming more prominent.

Figure 3. 9 Chinese FDI to Ghana by Sector (2005-2015)



Source: Ghana Investment Promotion Centre (GIPC)

Over the last decade, Chinese businesses have invested mainly in the Ghanaian economy's manufacturing and general trade sectors. One significant characteristic of Chinese investment

is that most of the financing comes from China, which makes it possible to repatriate most of the revenues from these activities back to China.

GIPC statistics also indicate that Chinese investment in Ghana is not only directed at resource, production and infrastructure sectors but also spreads across tourism and service industries. Significant investment in Ghana's infrastructure sector encompasses the US\$850 million Atuabo Gas plant constructed by Sinopec, a Chinese company with funds from the CDB loan which is the most significant infrastructure investment from China to Ghana, Bui Hydroelectric Dam funded by China's EXIM Bank. Other investment initiatives consist of the Kpong Water Expansion Project, completed in 2014, a supplier's credit for rural electrification expansion works (Nyamekye-Acquah, 2018, Tsikata et al., 2008). China's resolve to rebuild African infrastructure is a key contribution to improving African economies.

3.3 Opportunities and Challenges Associated with China in Africa, Ghana.

The China Africa relationship has had both direct and indirect, complementary and competitive impact, and, intended and unintended consequences. China's mode of operation and activities with Africa raises some fundamental questions which is discussed in the proceeding paragraphs. These questions are what respondents were quizzed on and they also brought their perspectives to the issue at hand. The critical issues that need clarifications on are; how strategic is China's relations with Africa, is China's relations based on equality and mutually beneficial, is China having any ulterior motives with regards to her relation with Africa.

3.3.1 Opportunities Africa derives from Chinese Engagement.

3.3.1.1 Opportunities Related to Trade

China's trade involvement with Africa could allow African companies to develop the continent's natural resource endowment and create more advanced backward and forward integration to derive more value from processing and boost local businesses involved in contemporary international network trade. These possibilities arise from relations between China's FDI flows to Africa and exports resulting from such investments, especially when the industries in which they happen allow the manufacturing chain to be divided into its constituent parts across global markets (Respondent 2, personal communication, July 4, 2019).

According to Respondent 3 (personal communication, July 5, 2019) the surge of low-priced Chinese products into Ghana's markets can be seen in a more positive light. The introduction of affordable Chinese consumer goods has a possible positive impact on living standards (respondent 3, personal communication, July 5, 2019 & respondent 7, personal communication, July 26). Imports from China are generally low and considering the purchasing power of most people in Ghana and Africa, it gives an opportunity to also purchase items that ordinarily they would have found difficult in buying.

Moreover, Chinese imports remain competitive with other foreign imports rather than just local manufacturers. Respondent 3 (personal communication, July 5, 2019) and Respondent 4 (personal communication, July 1, 2019) makes the point that, the manufacturing industry in Ghana is already challenged and as such cannot meet the demands of the local consumer. This is true because most of the manufacturing companies went through challenges and were diversifies. The local market is already crowded with foreign goods and the surge of Chinese products competes with such other products from other countries. Competition according to economics is good and healthy for the ordinary consumer.

3.3.1.2 Opportunities Related to Investment

While it is quite challenging to track all the direct and ancillary effects of these developments on the economy as a whole, these Chinese firms have a number of advantages to invest in the manufacturing sector.

According to an official of GIPC, China is one of the countries Ghana targets for increased investment under the Investor Targeting Strategy policy. China has responded positively and investment in various sectors of the economy he claimed Respondent 5, personal communication, June 20, 2019). Notable Chinese companies that are in Ghana are Sino Hydro Corporation, Huawei, Mobile Zone Limited (Startimes Corporation), China Hydraulic Engineering and Power Company for Foreign Business, Shenzhen Energy Group among others.

The importance of these investment to the local economy have been reiterated by economics. The advantages of FDI is known and not only limited to Chinese investment. However, Chinese investment have been very direct in the area of job creation, increase in government revenue from taxes and other service charges, and transfer of technology. This is also not to say that FDI from China is without its attending problems.

3.3.1.3 Opportunities related to Development Finance (Aid)

China may not be the largest donor partner to Africa. Nonetheless, Chinese money to Africa keeps increasing. China is one of the major aid partners in Ghana. The significant issue to address is whether Chinese assistance to Ghana is a gain or loss for Ghana. According to Tsikata et al. (2008), generally, Ghana is gaining. Ghana is able to negotiate to some extent for more advantageous circumstances for assistance by not depending solely on Western donors. Invariably, China provides Ghana alternatives not to rely on western assistance. The Chinese

serve a broad range of infrastructure needs that Ghana would find it quite difficult and/or costly to fulfil on its own or seek help from elsewhere.

Debt relief features prominently in the FOCAC arrangement. Through the FOCAC many African countries, who were under the HIPC program and also fall within the category of Least Developed Countries (LDCs) have had one debt to the other cancelled. Ghana has benefitted from such arrangement in the past and continue to do too. Respondent 6 (personal communication, July, 15, 2019) cited \$66 million bilateral debt, \$24 million cancelled by China in 2003 and 2007 respectively. In more recent times the Chinese Vice Premier, in 2019 during her visit announced the cancellation of \$36 million debt owed to China.

3.3.1.4 Infrastructure Development

Chinese companies are gaining significant government projects with regard to the construction industry, mainly because of the very competitive rates and financing models they offer. In Ghana, the Bui Dam, the Accra Burma Hall Complex, among other initiatives were all financed and constructed by Chinese money and Chinese Construction companies. According to Respondent 7 (personal communication, July 26, 2019) these developments adds up to the total development of the country.

3.3.1.5 General opportunities related to China in Africa

There are arguments that China provides Africa with opportunities African countries may have not gotten from their traditional Western partners. There seem to be a paradigm shift from the traditional western partners to the Asian Giants particularly China. Respondents 1 (personal communication, June 28, 2019) argues that China's Development Model is sensitive to Africa's needs. China provides Africa with infrastructural development which to the respondent is key to Africa's needs. Respondent 3 (personal communication, July 5, 2019) western policies have

not seen much improvement of the African society and have limited success in alleviating Africa's poor economic growth.

Generally, benefits from Chinese engagement with Africa through trade, investment and development finances are visible and not a subject of debate in the short to medium term. What is still not clear is the effects in the long term. Using Western engagement as an example as has been repeatedly cited by academics the overall effects of relationship between China and Africa is what the future holds for the African counterpart. Though they cite visible benefits accrued by Africa, they are however skeptical about the future of this relationship.

3.3.2 Challenges associated with China in Africa

Fundamentally, Chinese money builds African infrastructure; while African resources build China's economy (TRT world, 2018). Once China's greatest economic interest is the natural resources of Africa, aid policies are undoubtedly biased towards resource-rich nations, while other countries are given less favorable consideration. Data gathered identified some major and similar pattern in terms of challenges and threats related to China's engagement in Africa. They have been explained under the following heading;

3.3.2.1 Impact on local trade and manufacturing

While exports from Africa to China have contributed to the economic growth of Africa, China's powerful import entry has adversely impacted the manufacturing sector and may hinder Africa from diversifying its industry (Guillaumont Jeanneney & Hua, 2014). Increased trade and investment didn't necessarily have a positive effect on poverty in particular. The poor often suffer from the adverse environmental and social externalities created by the resource extraction firms and infrequently get a share of export revenue (Rotberg, 2009).

While the condition of enhanced trade terms is possibly encouraging for Africa's extractive sector, "export-dependent oil enclave economies" risk propping up in Africa. An "export-

dependent oil enclave economies” enhance exploitation and elite enrichment, with the gains not likely to trickle down to the consumer. African agricultural exports to China have the lowest annual growth rate in any category of trade. Whereas production volumes and logistical constraints drive this trend in Africa, significant trade protection also plays a vital role in the Chinese economy.

Most Chinese products are of low quality on the Ghanaian market and prices are comparatively low. Therefore, they serve the requirement of low-income groups in essence. These groups of customers profit to a reasonable degree from the inflow of Chinese goods. Although Chinese manufacturers have access to inexpensive labour and excellent infrastructure, access to big markets such as Ghana has promoted economies of scale and has beneficial impacts on Chinese manufactured goods prices.

There is proof that imports from China have had a detrimental impact on African exports and that local manufacturers and traders have faced severe competition from Chinese imports across Africa (Taylor, 2004). The surge of inexpensive Chinese products into Africa could possibly cripple local producers and industries. The textile industry in Ghana continues to face difficulties in the face of increasing competition from China's cheap imports. Due to cheap imports of goods from China, firms like Ghana Textile Print (GTP) and Printex have all shut down their spinning and weaving departments (Klutse, 2017).

On the balance of trade argument, Africa’s trade with China has always been in deficit. The nature of China Africa trade can best be explained using the endowment-based theory of comparative advantage. Given the apparent scarcity of highly skilled human resource but rich natural resource base, the theory advocates that, economically, it will not be efficient for Africa to push for manufactured exports. There is a view that, with higher trade between Africa and

China, Africa will improve its reliance on primary commodity exports, undoing any attempts to encourage manufactured exports

3.3.2.2 Impact on employment creation and technology transfer

Employment is a major economic issue in Africa and thus most African countries strive to create employment opportunities for their citizens. Chinese engagement in Ghana doesn't only result in job losses in the manufacturing sector but also in the retail sector. According to GUTA, Ghana Textiles Union, the influx of cheap Chinese products and Chinese migrants in the retail industry has displaced many workers within the space to accommodate them. They further cite instances where now Chinese do door to door trading which is Prohibited by the GIPC Act, 2013 (Act 865).

The nature of agreements entered by Chinese doesn't encourage the growth of local construction companies. In the words of Respondent 2, personal communication, July 4, 2019) "how do we expect our local companies to grow in capacity when all major contracts with funding from China are to be executed by Chinese firms". The nature of such agreements is that, China provides the funding and whatever that is supposed to be constructed are to be executed by Chinese firms. Only 30% of the work to be done and in most cases, they are to be sub-contracted by the Chinese companies.

More so, the many Chinese firms do not maintain standard working conditions as there have been reported cases as well as accusation of maltreatment meted out to local workers. In many African countries like Ghana, Chinese investment is based on capital intensive natural resource extraction and that is not contributing significantly to employment generation as the Chinese prefer to work with their kind. This also hinders on technology transfer.

Unemployment is already high in Africa yet Chinese companies import labour from China at the detriment of local laborers. The effect of these actions by Chinese will be felt overtime.

There are a number of Chinese migrants in illegal ventures in Africa. African government seems helpless in this regard. It must however be noted that the Chinese are not the only culprits in this.

3.3.2.3 Diversion of Africa's investment resources and structural change

China may be investing in Africa which adds to the overall development of Africa. There are however some issues to be addressed. China is shifting its low value-added manufacturing industries to Africa and mobilizing raw materials from Africa. The effect of this to Africa is, it hinders on the prospects of proper industrialization in Africa.

In the global division of labour, Chinese involvement will have any meaningful impact on Africa's place. It will rather hinder economic diversification and further to de-industrialization. Existing patterns of trade renders the plans of Africa to diversify its economic structure and trade bleak. Chinese goods are relatively cheaper than goods produced in Africa. GUTA makes the point that, in as much as they favour goods made in Africa especially Ghana, they are left with little or no choice than to import from China. They again claim that spending capacity of their consumers makes it quite difficult buying goods made in Ghana. They are aware of the net effect on the Ghanaian economy but will have to resort to Chinese Good if they are to remain in the market.

3.3.2.4 Concerns on good governance and democracy

The Chinese are not very transparent with the dealings with African countries. They mostly cut dubious contracts with African governments. Transparency and good governance promote democracy which is suitable to long term development. Respondents 2 (Personal communication, July 4, 2019) makes the point that the Chinese in as much as they are responsible for the opaque manner in which they do things in Africa, the African government cannot be left out in this. Corruption is a major menace in Africa and it seems to benefit the

political elite so they are quite okay with the way the Chinese interact with them. The African side go into negotiation with a weaker mindset and they cut deals which may not necessarily be beneficial in the end.

The Chinese have been accused of leveraging on beneficial aspects of relations with Africa to do dubious things in Africa. A clear case is the issue involving Aisha Huang, a Chinese citizen who is known in Ghana as the Galamsey (illegal mining) queen. Respondent 1 (personal communication, June 28, 2019) and Respondent 2 (personal communication, July 4, 2019) cites this case to buttress their point. The Ghana government seemed helpless when it came to dealing with her. There was also another major case of felling of rosewood which is illegal in Ghana. A Chinese, Helena Huang was apprehended by local authorities and she didn't go through any proper prosecution, only reports of her being deported was later mentioned. These are implicit actions of governments that must be mentioned too. When questioned about the deportation of Aisha Huang who is recognized in Ghanaian circles as the "Queen of illegal mining", the Senior Minister of Ghana, Mr Osafo Maafo responded;

"We have a very good relationship with China. Today, the main company that is helping develop the infrastructure system in Ghana is Sinohydro, it is a Chinese Company. It is the one that is going to help process our bauxite and provide about two billion dollars to us. So, when there are these kinds of arrangements, there are other things behind the scenes. Putting that lady (Aisha) in jail in Ghana is not going to solve your economic problems" (Graphic online, 2019).

In the response of the senior minister, the catchy phrase that must be highlighted is "there are other things behind the scenes". What are the other things behind the scenes that justify such actions by the government Respondent 2 (personal communication, July 4, 2019) quizzed.

3.3.2.5 Debt Creation

Chinese economic interaction in Africa keeps increasing where the traditional partners are scaling down. This hasn't been all favorable as there has been criticism as to the actual intention

of China. Chinese policy of fusing economic development aid to government loans is often represented as a challenge to the prevailing aid regime as it fosters long-term African over dependence on China. The infrastructure-driven aid development by China is unlikely to lead to any meaningful development in Africa.

The International Monetary Fund (IMF) recently warned that, Africa is heading towards a new debt crisis. The number of African countries with the status of high risk doubled within the past ten years. Africa's debt is estimated to be \$ 417 billion. Out of this, about 20% is owed to China and this makes China the single largest creditor. Respondent 2 (personal communication, July 1, 2019) referred to a Moody's research which stated that, "interest payments to Chinese creditors already account for more than 20% of revenue in Angola, Ghana, Zambia and Nigeria. The long-term development of African countries is at risk when such payment for on for a long time" to buttress his claims.

3.3.2.6 Environmental damage

Chinese activities in Africa disregards and pays less attention to environmental impact and standards. The impact of Chinese activities across Africa with regards to the environment is very disturbing. Here are a few examples to buttress this point; In Ghana have been reports of illegal mining that destroys both the land cover and destroys water bodies. These illegal activities are ably supported by Chinese who reportedly provide the logistical support to the local cretins. They have destroyed scores of cocoa farms, rainforests and major river bodies. Ghana's river Pra, Ankobra, Birim have all been affected through this menace.

In Gambia, inhabitants of Gunjur village have had course to complain and lock horns with Chinese Golden lead Factory for destroying Bolong Fenyo, a wildlife reserve. In Cambodia, Chinese illegal logging is disturbing forests at a baffling rate. What is even devastating is workers and individuals who complain and try to expose such activities do so at their own risk

3.4 China in Africa: A development partner of a neo-colonial state

The presentations made above depicts the overall interest of China in Africa particularly Ghana. PRC's reform and opening up, particularly after 2000, has made Africa, an increasingly significant economic partner for China. Contemporarily, economic and also resource considerations direct China's foreign policy towards Africa. That notwithstanding, political issues continue to play a major role in the relation. Trade and aid packages fulfil a number of strategic objectives. China has built for itself significant wealth and is now involved in attracting Africans or developing countries that possess enormous resources. The relationship has become more of a resource bargain interrelationship rather than the usual political-economic relation as is the case with Africa and the West (F. Cudjoe, personal communication, August 02, 2019).

In the words of Respondent 2 (personal communication, July 4, 2019), China uses loans, grants and investment to gain access to strategic resources and build stronger political ties with their African partners. China's relations with Africa mostly linked to resources, and unfortunately, the Chinese do not believe in Western democracy and its contents and believe they should treat every country according to their own terms (Respondent 6, personal communication, July 15, 2019). Chinese are also particularly interested in being very mercantilists at the same time being somehow capitalist to the extent that the terms they come to Africa with to engage in resource transactions are if not similar quite stricter than Westerners (F. Cudjoe, personal communication, August 02, 2019).

It is worth noticing that China's economic ties to Africa (south-south) are modelled against similar North-South relations. For example, China's non-transparent, oil-backed loans in Nigeria and Angola are based on comparable loans procured by private Portuguese and London banks with much less notice. China's influence has come under scrutiny, mainly based on its growing influence and interest within the continent.

According to F. Cudjoe (personal communication, August 02, 2019), in one way or the other, because of the strings attached or because of the very dodgy nature of their contracts with each African country because sometimes the contracts are not so clear, it makes most African citizens believe that the contracts are not done fairly, looking at what we exchange in return for the rate we have given to the Chinese, it does appear that they hold guns to our head. In one way or the other, they are using their financial muscle, with a lot of democratic deficit which most African countries now love because they also want money to develop their countries to engage the Chinese that makes them being labeled as the new colonial masters. However, F. Cudjoe (personal communication, August 02, 2019) opines that the Chinese are not to blame “because they do not hold a gun to our heads this time around, in order to as it were like before to sign any contract with them”.

It is, however, essential to prevent drawing too simplistic conclusions about the policies of China on Africa. The economic involvement of China and Africa has increased in recent past, but it is still comparatively new. Many problems are still to be explored, and patterned behaviour has yet to be determined. It is necessary to note that the "go out" policy of China is motivated mainly by the need to satisfy energy and resource needs for its own economic development, rather than by a predatory and well-planned agenda to take over the world especially Africa. According to Chan (2018) in a roundtable discussion on TRT World under the topic China-Africa relations – who benefits? China is accused of being neo-colonial is only a propaganda tool used by the West by hinder the increasing relationship between China and Africa. To him, China is in Africa to seek their own interest. Nevertheless, there is a potential for a win-win (TRT World, 2018).

The possible conclusions that can be drawn from the data and findings are that there can basically not be any strategic partnership that is balanced between China and Africa. What is holding sway between Africa and China seems only explainable within the context of a

neocolonial exploits where Africa is banished to supply resources needed for China's development in exchange for inferior goods and investment and conditions are only favorable to China as well as provide jobs for Chinese nationals. The policy on non-interference and mutual benefit as espoused by China through the policy of peaceful co-existence and its African policy are somewhat missing empirically. The Chinese mutual benefit policy is only a ploy to gain access to resources. China-Africa relations is a repetition of the traditional asymmetric neo-colonial relationship.

3.5 Conclusion

The official interaction between China and Africa dates back to the 1950s at the Bandung conference. China established the FOCAC in the year 2000 in an attempt to formalize joint commitment, minimize the discourses concerning China's relations with Africa and reinforce Sino-African collaboration. This brought about an increase in both political and economic cooperation. China's political relations with has been formalized and is maintained through bilateral diplomatic engagement and the FOCAC. Trade, Investment and Aid dominate the economic engagement between China and Africa.

Chinese activities and actions in Africa have raised concerns from various quarters. The real motive of the Chinese has been questioned. Through the data collected and inquiries made to this effect, the study concludes that the relationship is asymmetrical even though both parties' benefit. However, the net effect of this relationship has been said to be more harmful than good to Africa and thus cautions have been served.

CHAPTER FOUR

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

4.0 Introduction

The purpose of this research was to explore the nature and consequences of China's economic and political relationship with Africa in order to ascertain whether this relationship can be classified as mutually beneficial or whether there are adverse effects on Africa. First, the study examined the overall relationship between China-Africa and then zoned-in to the relationship between China and Ghana.

4.1 Summary of Findings

The work studied China's relations with Africa. China's African policy was analysed from three (3) main eras; China's African policy from 1949 to 1978; the second phase being 1978 to 1989; and, the last and contemporary phase being post-1989.

The first phase of the relationship concentrated on China's support for Africa's freedom struggles during the era. In doing that, China formed comprehensive ties with the African liberation movement and newly independent African countries. The second phase began with the implementation of Deng's modernization program with its economic growth objective in 1978. The third phase, is marked by consequence of the Tiananmen Square massacre of 1989 on the PRC's international relations; the increase in China's general trade in the 1990s; and, China's acknowledgement of Africa as a support base in the international system, particularly the United Nations.

China's political relations with Africa are characterized by bilateral; and, multilateral diplomacy. Bilaterally, China has established diplomatic missions with African countries. Diplomatic relations between China and Africa are characterized by high-ranking official visits by the Chinese to Africa and also by Africans to China. Diplomatic visits to Africa has, however, significantly improved since 2000.

Multilaterally, FOCAC coordinates China-Africa relations. FOCAC is a multilateral platform for mutual, pragmatic consultation and dialogue between Chinese and African leaders which was established in October 2000 by leaders from China and Africa in Beijing. FOCAC supplements China's bilateral relations with specific African states by offering a platform where China and African officials can set the course and strengthen their relationships.

China's economic interest in Africa is seen in the area of trade, investment, and aid. The open-door policy of China saw a massive shift in their economic fortunes. China opened up to the outside world in the early later part of 1980. This meant that China was going to increase economic engagement, including trade not only with Africa but the world at large.

China's trade with Africa has seen exponential growth since the year 2000. Africa gets most of its value-added and manufactured goods from China. Both China and Africa benefit from trading activities between them. Trade between China and Africa is unbalanced with the scale tipped in China's favour. The trade imbalance is mainly due to China's surplus manufacturing ability and the tendency to export goods through third states.

The definition of foreign aid by the PRC as indicated in the work is broad and sometimes vague. As far as traditional donors are concerned, China's interpretation of what the word aid does not correspond to the OECD-DAC definition. Nevertheless, China's foreign aid policy has a broader and more ambiguous scope. China's delivers its aid either through grants, interest-free loans, concessional loans or debt relief. Chinese official foreign aid is in eight categories. They

include; emergency humanitarian aid, human resource development cooperation, technical cooperation, volunteer programs, complete projects, goods and material, debt relief and volunteer programs.

Chinese investment in Africa has also increased since the year 2000. The study, however, shows that these investments have not directly benefitted the lives of the ordinary citizens as it is supposed to but are only used by African politicians for political expediencies. Investment is made in strategic sectors, which include; manufacturing, resource extraction, raw materials, and primary products. Most of these investments are often capital-intensive and thus have a diminutive effect on job prospects, especially given that China imports its labour.

China's economic ties to Africa (south-south) are modelled against similar North-South relations. The economic involvement of China in Africa has increased in recent past, but it is still comparatively new and relatively small in magnitude. Many problems are still to be explored, and patterned behaviour has yet to be determined. There are however some problems that run through most literature and respondents also made comment supporting some of them. China's relationship with Africa has among others resulted in the following; impacted on local trade and manufacturing, employment creation and technology transfer. Again, it's had an impact on diversification of the local economy and the environment. Development finance is leading to increasing debt of African states and poor transparency hindering good governance. There are also positive sides to this relationship.

The study concluded that there can basically not be any strategic partnership that is balanced between China and Africa. What is holding sway between Africa and China seems only explainable within the context of a neocolonial exploits where Africa is banished to supply resources needed for China's development in exchange for inferior goods and investment and

conditions are only favorable to China. The study also found out that all this is possible because African states are playing themselves into the hands of the Chinese.

4.2 Conclusion

The study examined the relation between China and Africa. The study used examples primarily from Ghana. The main aim of the study was to determine whether the Sino-Africa relations can be classified as neo-colonial.

The study indicated that China in Africa offers Africa with both prospects and problems. China's strategies in Africa, like any strong state, are usually self-serving and targeted at promoting the national interest, which in this instance is an economic power. The political and economic policies of China in Africa are interconnected and connected to form a comprehensive pragmatic approach in Africa.

In addition, the research concludes that China's long-term financial involvement in Africa may result in over-reliance on resource extraction revenues, which stands a good chance of Africa becoming a resource curse victim. Also, a rise in commodities can lead to complacency on the part of the African government, resulting in little or no attempt being made to implement policies that diversify the economy and encourage economic growth. Furthermore, excessive dependency on resources can render African economies susceptible to price shocks.

4.3 Recommendations

Like the former CEO of Ghana Chamber of Commerce and Industry, Sal Doe Amegashie, some time ago stated that: "China is the economy of today and tomorrow and Africans must learn from them. We need to send people to China to learn about their work ethics."

The study, among others, has revealed a number of challenges associated with the PRC's political and economic relations with Africa. To subdue these challenges and turn them to the utmost benefit of Africans, the study recommends that:

Understanding the Nature and intentions of the Chinese

It is first important to understand the character and thinking of the Chinese in all this, as they are very top negotiators. It is important to have a China strategy that can withstand the cultural underpinnings of the Chinese so that when Africa is negotiating with them, they would that even if we sign a contract with a Chinese company, it does not until it has the official blessings of the Chinese government itself. It will be very significant understand the nature of the Chinese especially in this modern era and understand that even when everything seems to have been done, unless we show meticulously that we can deliver from our end, with extreme patience to fit them, there shouldn't be a rush to enter into contracts with the Chinese as has been the case with most African countries.

African government must formulate deliberate policies targeted at China.

African government must come to the realization that China will not develop Africa to the levels they desire. China will always ensure that as the West has done in the past, Africa will need them to embark on any intensive financial project. In doing so, Africa must have a deliberate plan in place. Just like the Chinese ensure that any contract that they fund must go to their nationals, African government must also provide that technological and skill transfer are part of deals they broker with china.

More can and should be done by African nations to guarantee that relations with China work to their benefit. It is the responsibility of African leaders to assess the involvement with China critically and to take advantage of this unprecedented chance to secure long term benefits for their people. In doing that, the task of ensuring that Africans profit from relations between

China and Africa is to establish processes that bring Chinese investments to be national, regional, and local levels.

It behoves on African government to translate the increasing partnership into development. African governments must prioritize the interest of their citizens in their dealings with the Chinese government. Local manufacturers can only profit from technology transfer when they are equipped with the right resources to do so.

Formulate stringent economic policies tailored in a national agenda to fit the national development plan

Changing the trade deficit by putting in a deliberate policy. Economic policies such as the African Continental Free Trade Area (AfCTA) is what African states must pursue and aligned into their national development agenda. The success of policies has the potential to mitigate the over-reliance of foreign countries for national development.

African countries must pursue and implement import substitution industrialization. African governments must stimulate the development of the well to do of African businessmen, and this has the potency to create vital and enduring contributions to Africans ' financial well-being all across the continent.

Ensure due processes are followed and laws abided by

To ensure that perceptions of China taking over Africa are mitigated, both countries owe it to each other to help prosecute offenders. In most of the African countries, Chinese nationals who are found foul of the law are either left to go scot-free or deported in worse cases. African governments must ensure that Chinese nationals must not be treated differently due to the help they get from China. Immigration laws must be protected and implemented to the latter without fear or favour.

Africa must be strict in dealing with the Chinese. The Chinese have respect for their laws and so must the Chinese also respect ours

Improving Negotiations Skills

The problem with Africans in the contractual agreement is with negotiations. Africa has to stand grounds with separating the execution of the project with Chinese citizens just flooding African countries. There are still skills in Africa that can be harnessed. These are the rules most African countries must insist on, and the negotiation capacity must come in fully. Africans usually negotiates from the point of weakness because we need the money to execute political agendas, and we tend to forget and forgo some of this stringent requirement. Our negotiating capabilities are feeble, costing our resources. Africans must improve their negotiating skills when dealing with not only the Chinese but powerful states.

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