



China in West Africa's Regional Development and Security Plans¹

Emmanuel Akyeampong*

Abstract

This article argues that we are presently in another global economic transition. The old centres of growth have witnessed serious economic reverses with several countries going into 'receivership' in the West – Greece, Cyprus, Portugal, Northern Ireland, and possibly Spain and Italy. The fastest growing economies in the world are no longer in the West but in developing regions such as Africa and Asia. China has emerged overnight as the second largest economy with predictions that it would overtake the United States within the next generation. China's economy has gone from one of export-driven growth to the prospect of continued growth based on internal demand, driven by one of the fastest and largest growing middle classes in history. South–South trade also holds great promise as one of the engines of continued growth for China. China's recent rise began with its designation as the world's 'factory' by Western multinational companies in the 1980s, seeking to increase their profit margins by outsourcing production to areas with cheap but disciplined labour. As China moves beyond the initial phase of labour-intensive industries to more technologically advanced industries, it has turned to developing countries in continents such as Africa for raw materials, investment and business opportunities in areas such as the construction of infrastructure (roads, railways, hydroelectric dams and so on).

Résumé

Le présent article soutient que nous sommes actuellement dans une autre transition économique mondiale. Les anciens centres de croissance ont connu des revers économiques graves, avec plusieurs pays en Occident qui sont entrés dans une phase de « redressement », notamment la Grèce, Chypre, le Portugal, l'Irlande du Nord, et peut-être l'Espagne et l'Italie. Les économies les plus dynamiques du monde ne sont plus en Occident, mais dans les

* Professor of History and Professor of African and African American Studies, Harvard University.
Email: akyeamp@fas.harvard.edu

régions en voie de développement telles que l'Afrique et l'Asie. La Chine est devenue du jour au lendemain la deuxième plus grande économie et, selon les prédictions, elle dépassera les États-Unis au cours de la prochaine génération. L'économie de la Chine est passée d'une croissance tirée par les exportations à la perspective d'une croissance continue fondée sur la demande intérieure, tirée par une classe moyenne dont la croissance est la plus rapide dans l'histoire. Le commerce Sud-Sud a également de fortes chances de devenir l'un des moteurs de la croissance continue de la Chine. L'essor récent de la Chine a commencé avec sa désignation dans les années 1980 comme « l'usine » du monde par les entreprises multinationales occidentales, qui cherchaient à augmenter leurs marges bénéficiaires en externalisant la production vers les zones disposant de main d'œuvre bon marché et disciplinée. Alors que la Chine, qui était initialement caractérisée par des industries à forte intensité de main-d'œuvre, passe aux industries les plus technologiquement avancées, elle s'est tournée vers les pays en voie de développement dans des continents comme l'Afrique pour les matières premières, l'investissement et les opportunités commerciales dans des domaines tels que la construction d'infrastructures (routes, chemins de fer, barrages hydroélectriques, etc.)

Introduction

China's growing presence in Africa over the past decade or so reflects China's growing stature in the global economy, now the world's second largest economy after the United States. In the post-Cold War era, we have now progressed from a unipolar world revolving around the United States to one of contested uni-polarity. The value of China's trade with Africa has grown astronomically from US\$1 billion in 2000 to \$55 billion in 2007, \$198.4 billion in 2012, and \$221.88 billion in 2014.² In 2009 China surpassed the World Bank as Africa's top lender and also became Africa's leading trading partner.³ In this same past decade, several African countries have experienced a commodity boom and strong economic growth. In the past decade or so, six of the world's fastest growing economies have been in Africa – Angola, Nigeria, Ethiopia, Chad, Mozambique and Rwanda. In eight of the past ten years Africa as a region has grown faster than Asia.⁴ While economists have conceded that China has become a global economic power, though we often hear about a possible slow-down in China's economy and its global implications, the jury is out on Africa's recent economic growth spurt, whether this is just a commodity boom with no underpinning structural changes to transform the present economic opportunity into a permanent 'take-off'.⁵ Though China represents an important resource for Africa, few African countries have a 'China policy'. South Africa may be one of the exceptions, but even South Africa remains dissatisfied about its economic

relations with China, which over-privilege the export of raw materials to China. Thinking outside the box in economic transitions can unleash great potential for growth. One such historic example is the Marshall Plan after World War II, when a fast growing American economy, due to the demands of European war economies, discerned how strategic self-interest could entwine with benevolent capitalism in its offer to help rebuild Europe and Japan. America, in the process, grew even faster.

On independence, many African governments inherited mono-crop or mineral economies. The little-developed colonial infrastructure was to tap areas with economic resources, leaving large regions outside the infrastructural nexus. To take the example of Ghana, the only deep-water port on independence was in Takoradi, constructed in the 1920s. Railway lines radiated from Sekondi-Takoradi to areas of mineral wealth, also connecting the capital city of Accra with the second largest city of Kumasi in the interior. This second link was, perhaps, more for security reasons, as the Asante had been a military threat to British presence in the Gold Coast for much of the nineteenth century. In the colonial period, cocoa-growing communities would construct 'feeder' roads through community labour to link their towns to the rail lines.

Independence in the 1950s and early 1960s came on the back of the commodity boom of World War II, and African politicians were optimistic about their ability to accelerate and diversify economic growth. Importantly, newly independent countries such as Ghana and Nigeria sought to reduce their economic dependence on their former colonial masters. The decision by West African countries to integrate their economies in 1975 through the Economic Community of West African States (ECOWAS) was part of this post-independence vision. It has faced an uphill struggle, together with several other regional endeavours, as Africa's economies remained extraverted towards the West and regional economies are poorly integrated. Today, Africa stands at a critical juncture: the world's eyes are on the continent as the next place of economic growth with euphemistic phrases like 'Africa Rising' common. Africans are particularly concerned that this moment of opportunity translates into economic transformation and enduring growth. China can play an instrumental role in making this a reality. This article reflects on the lessons of history, and offers a careful assessment of Africa's present condition and potential drivers of change for the future, using West Africa as a case study.

Thinking Outside the Box: The Economic Opportunity Africa Represents

Two of the fastest growing countries in Africa, Mozambique and Rwanda, are rebounding from ground zero, being former war-torn countries. Opportunities for growth are consequently limitless, and clear, strong leadership has accelerated the process. This analogy can be extended to most of Africa, which, with the exception of settler colonies, suffered extreme under-development during colonial rule. This was the economic logic of colonial rule, which sought to expropriate wealth, and not necessarily to invest wealth. Colonial investments were aimed at making the colony more productive, to enhance its economic value to the metropole. Albert Sarraut (1872–1962), Colonial Minister for France from 1920–24 and 1932–33, summed up the essence of a colonial economy:

Economically, a colonial possession means to the home country simply a privileged market whence it will draw the raw materials it needs, dumping its own manufactures in return. Economic policy is reduced to rudimentary procedures of gathering crops and bartering them.

Moreover, by strictly imposing on its colonial 'dependency' the exclusive consumption of its manufactured products, the metropolis prevents any efforts to use or manufacture local raw materials on the spot, and any contact with the rest of the world. The colony is forbidden to establish any industry, to improve itself by economic progress, to rise above the stage of producing raw materials, or to do business with the neighboring territories for its own enrichment across the customs barriers erected by the metropolitan power.⁶

The colonial economy revolved around commerce, mining and agriculture. Mining was extractive and the raw material exported with little processing. In agriculture colonial governments encouraged mono-crop economies. Infrastructure aimed at the extraction of resources and rail and roads connected ports to areas rich in mineral resources or agricultural production. Colonial infrastructure was not intended to integrate colonial economies or provide a foundation for economic growth based on internal logic.

The BBC's 'The Story of Africa' notes that as early as the 1920s most of the main railway lines in colonial Africa had been completed. The motivation for these lines was mainly twofold: for the effective military and political control of colonies, and to transport minerals from mines to ports:

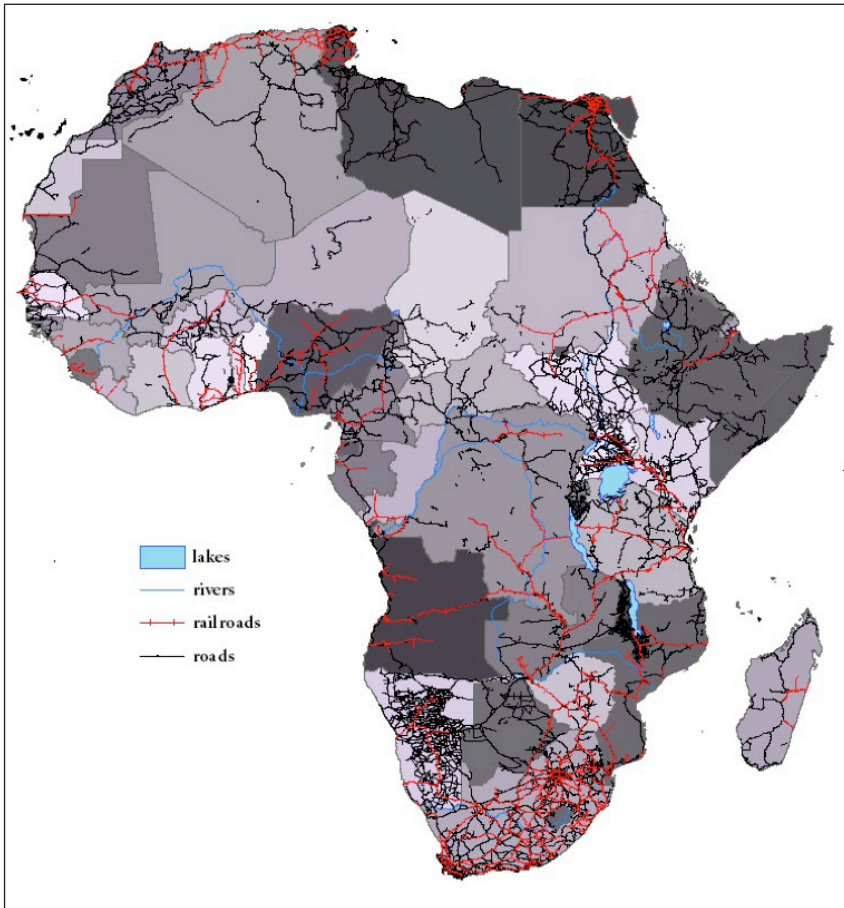
A large number of lines were built simply to transport minerals from mines to ports, with little benefit to communities on the way. In the Belgian Congo, copper from Katanga was taken to the port of Lobito in Angola on the Benguela railway. In Liberia a railway was built from the iron producing region of Nimba country to the port of Buchanan.⁷

These examples can be multiplied. In Sierra Leone, the railway was limited to the capital of Freetown, built to transport European colonial officials and expatriates from the segregated Hill Station to their places of work. The total mileage of railway lines in Sierra Leone is therefore only eighty-four miles, and was motivated by the desire to protect Europeans from malaria-infected Africans.⁸ A World Bank-sponsored report describes the fragmented railway systems inherited at independence:

Although grand master plans for integrated rail systems have been proposed, none has been fully implemented and, for the most part, the African rail system remains fragmented, with lines connecting cities within a single country or linking a port and its immediate regional hinterland. The only significant international networks are those centered in South Africa and stretching north to Malawi, the Democratic Republic of Congo (DRC), and Tanzania; the North African network in the Maghreb; and the East African network linking Kenya, Uganda, and Tanzania. A few railways cross borders to link landlocked countries to ports, and others provide inland railheads from which goods can be on-forwarded by road. But there has historically been little trade between most African countries outside southern Africa, and the financial and economic case for more integrated links is unlikely to be strong.⁹

According to this study, West Africa has some of the lowest statistics of route kilometre railways operated, as well as passenger kilometre usage of railways. The railway map of sub-Saharan Africa today visually highlights this deficiency:

Figure 1.1: Map of Africa Showing Rail and Major Road Networks



Source: Mark Duerksen (GIS).

Road networks, though more extensive, are also uneven in distribution and quality. Only Nigeria within West Africa has more paved than unpaved roads (26,005 miles versus 6,100 miles) with the closest competitor, Ghana, having 9,353 miles of paved road against 28,208 miles of unpaved road.¹⁰ Deficiencies abound in other public service areas. To take the example of electricity supply, it is estimated that only 24 per cent of the population in sub-Saharan Africa have access to electrical power and many regions that have power are subjected to rolling blackouts. Even oil-rich countries, Nigeria being a classic example, are plagued by power supply problems. Not saddled with ‘a pervasive existing energy infrastructure – and the absence of a cumbersome regulatory apparatus [like the developed countries]’,

Bruce Kogh and Hedda Schmidtke underscore the opportunity for Africa to introduce renewable technologies from scratch, combining hydro, solar, geothermal, biogas and biomass gasification based on local resources and needs.¹¹ The authors cite as a precedent in leapfrogging Africa's spectacular adoption of mobile telephony and pioneering of novel banking facilities such as the use of mobile telephones in money transfers, and see the opportunity for similar innovation in energy supply. Thinking outside the box in terms of innovation in these contexts can bring significant economic returns. The giant mobile phone company Celtel's CEO Marten Pieters recognized the economic potential in creating new linkages when he observed:

Africa's borders are colonial, they do not reflect economic or linguistic relations, so there is a lot of inter-country traffic and that is where the opportunities lie. Calls between Kinshasa and Brazzaville are still routed via Europe. We think that there is a big opportunity to build a genuinely African communications system, so we are focusing on establishing cross-border links, which is why we offer subscribers in Kenya, Uganda and Tanzania discount rates from normal international tariffs.¹²

It has taken a former colonial country like India, now a giant in information and communications technology (ICT) and a strong advocate of South–South cooperation, to launch a US\$500 million pan-African e-network in February 2009 as part of its 'Aid to Africa' programme.¹³ The economic opportunities in Africa are immense and China, with its expertise in hydroelectric generation, solar energy, railway construction and other crucial areas, its current global economic status, interest in raw materials for its economic production, and involvement in infrastructural development in Africa through resource-backed loans is positioned to play an instrumental role in Africa's developmental efforts. A closer examination of attempts at regional integration in West Africa will enable us apply these insights on China's potential role in West Africa's endeavour to expand production and markets.

ECOWAS: The Struggle for Regional Integration and a Role for China

ECOWAS was created in 1975 with the initial intention of establishing a Free Trade Area among the member states as a step towards higher forms of regional integration – a customs union, common markets and economic union. Regional integration has been an uphill struggle for ECOWAS since its inception.¹⁴ The francophone countries, the majority in the bloc, with their common currency (the CFA franc) and close orientation to France, posed a challenge to the development of a common market. Administered in a single federation during the colonial period, the former French countries

have more common institutions and structures, from economic institutions to the uniform gauge on their railway lines. It is not surprising that the francophone countries in West Africa, with the exception of Guinea, were able to form an economic and monetary union, Union économique et monétaire ouest-africaine (UEMOA), in 1994, to facilitate trade between countries that share the CFA franc. UEMOA has developed a customs union and a common external tariff, and has been described as one of the advanced integration schemes in Africa.¹⁵ The activities of the West African Monetary Zone (WAMZ), comprised of the English-speaking countries and Guinea, complement UEMOA. WAMZ aims to introduce a single currency, the Eco, for its members, with the eventual expectation that the CFA and Eco will merge to create a single stable currency for all of West and Central Africa.

Ironically, it has been the World Bank's Structural Adjustment Programmes that since the 1980s have prompted several countries to unilaterally lower trade tariffs and resolve other impediments to free trade. France, from the 1990s, has pushed its former African colonies in financial difficulties towards the World Bank and the IMF, looking to unload the financial burden of underwriting African economies. Intra-ECOWAS trade remained a minimal 11 per cent between 1996 and 2001, while over 40 per cent of ECOWAS imports for the same period came from the European Union (EU).¹⁶ And despite expressions of political commitment to the vision of a common market and stronger regional trade, within the ECOWAS region trade has remained low. A 2011 report based on COMTRADE data estimates that it has remained constant between 10 and 15 per cent.¹⁷

Yet there are also promising indicators in the diversity of West Africa's regional trade compared to West Africa's trade outside the continent. This diversity reflects comparative advantage through factor endowments, underscoring a complementarity in regional economies compared to West Africa's economic relations to the West or Asia, which have emphasized the export of agricultural products and minerals. Thus, Ghana, Benin, Togo and Senegal export more manufactured goods and machinery within West Africa than they do in their trading relations outside the region. In addition, ECOWAS trade seems to represent a significant proportion of the external trade of the less naturally endowed West African countries, underscoring its important role in wealth creation for these countries. Thus, ECOWAS trade represents 78 per cent of Burkina Faso's trade, 60 per cent of Togo's, 46 per cent for Senegal, and 35 per cent for Mali.¹⁸ Regional trade hence contributes more to economic diversification, and this can reduce the vulnerability of West African countries to external shocks based on price volatility of the primary products they export to the West and Asia. Instructively, domestic

firms that look to regional trade have more permanent labour force arrangements than firms dependent on global trade.¹⁹ Growing evidence also suggest that remittances from African migrant workers in other African countries have more of a poverty-reducing impact on receiving households. Wourtese observes that comparatively, inter-continental remittances were on average ten times larger than intra-African remittances and accrued to the already better-off households, leading to a reduction in the incidence, depth and severity of poverty in the receiving households. They however widened inequalities between rich and poor households. He finds evidence that intra-African remittances reduce inter-household inequality considering that they flow to poorer households.²⁰

Strengthening regional trade has become imperative in the light of the recent global economic recession, which witnessed a general falling off of trade. Countries in Africa that traded with the EU and Asia – rather than among themselves – were among the hardest hit in the global recession.²¹ Banik and Yoonus see stronger regional trade as a way for ECOWAS countries to increase aggregate demand and to meet regional development expenditures.²² It is not a choice of regional trade versus global trade, but a combination of both in ways that have positive results for West Africa in terms of growth and development. Hence the changing patterns in trade relations between West Africa and the EU, for example, are positive as the EU moved from the non-reciprocal trade concessions given to West African countries in the Yaoundé and Lomé I–IV Conventions to a series of reciprocal economic partnership agreements with West Africa from 2008. These are structured in the form of an Economic Partnership Agreement (EPA), though progress has not been smooth sailing, and some experts worry about the possibility that the introduction of reciprocal trade with Europe before the consolidation of the regional market in West Africa may undermine efforts at regional integration.²³

The success of regional integration in West Africa, and of trading agreements with the EU and other external trading blocs or countries, depends on an improved infrastructure within West Africa. Poor transport infrastructure, bad communications and undependable power supply, among other factors, make the cost of doing business and moving goods in West Africa high. Banik and Yoonus recommended, among other things, the need to build better infrastructure within ECOWAS; for ECOWAS countries to take more initiatives towards regional trade rather than the focus on trade with more advanced countries; and the need for a conscious commitment from the better resourced countries – Nigeria, Ghana, Senegal and Côte d'Ivoire – to trade with relatively resource-poor countries in the region.²⁴

Here there is the need to think outside the box at two levels: at the country level in West Africa and in terms of a China policy. This is where a more coherent China–ECOWAS agenda becomes necessary. At the country level, China’s presence is evident in several African countries, pursuing bilaterally at the national level several of the goals we have underlined as necessary at the regional level. For example, China is assisting Ghana in its energy problems, rail and road networks, and other infrastructural projects. The Bui hydro-electric dam in the northern region of Ghana is the largest Chinese infrastructural project in the country, built by Sino-Hydro at an estimated cost of US\$622 million and financed by the Chinese Export-Import Bank (EXIM Bank). The eventual cost of constructing the Bui dam stood at \$790 million. The Ghana government’s financial contribution was \$82 million, and the loan was collateralized through the export of cocoa from Ghana to China.²⁵ The dam, completed at the end of 2013, was expected to generate 400 megawatts, a fifth of Ghana’s hydro-capacity.²⁶ In the past Ghana has exported hydro-electricity to Côte d’Ivoire, Togo, Benin and Burkina Faso through the Akosombo dam, and it was envisaged that the Bui dam would supply Burkina Faso. The Bui dam has not been able to operate at its maximum capacity due to low rainfall levels, and has therefore not been able to intervene decisively in the current energy crisis in Ghana, which has led to a prolonged period of load shedding.²⁷ In 2006 China pledged to build a new plant at Kpong to increase water supply in Ghana to the eastern parts of Accra by 40 million gallons a day.²⁸ In 2009 the Chinese government provided the Electricity Corporation of Ghana with US\$170 million in supplier’s credit for the extension of electricity to 300,000 households.²⁹ China has assisted Ghana in the rehabilitation of the international road that leads from the capital city of Accra through Kumasi to Burkina Faso. In 2005 China pledged to assist Ghana with the rehabilitation of its rail system.³⁰ In June 2006 the Chinese Prime Minister joined Ghana’s then President J.A. Kufuor to open the US\$29 million stretch of highway leading out of Accra to Kumasi.³¹ Ghana is now a commercial exporter of oil, and China is again assisting Ghana in the construction of a natural gas pipeline.

Rich in natural resources, Ghana can afford these resource-backed contractual agreements with China to build or rehabilitate infrastructure. The Bui dam is backed with Ghana’s cocoa and the construction of the gas pipeline by Ghana’s crude oil. Ghana’s exports to the West and Asia are unprocessed primary products. We have seen that Ghana exports more manufactured goods and machinery to its West African neighbours, yet ECOWAS trade represents only 18 per cent of Ghana’s trade.³² Ghana stands to benefit more in terms of economic diversification and value-added

production through regional trade than through inter-continental trade. It would be in the interest of the better resourced countries in West Africa like Ghana, Côte d'Ivoire and Nigeria to think strategically in regional terms, and to commit resources to the development of regional infrastructure like road networks that would expand their market reach. One of the goals of ECOWAS is the development of an integrated rail network. But it expects funding to come from the outside, and there is a sense in which national wealth is considered national property and not a regional resource. But West Africa is not resource-poor and represents perhaps the largest trading bloc in Africa. China, with its favourable loan terms and willingness to undertake resource-backed infrastructural projects, would be a natural partner in this endeavour to transform West Africa's physical infrastructure.

At present Ghana lacks a China policy, as do many other African countries, in spite of their enthusiasm about the economic opportunities represented by China. We have gone from an era where there were no alternatives in the context of World Bank hegemony to one of choice. Western alarm at China's growing economic presence, discourse on a second 'colonial occupation' by China, criticism of Chinese business practices in Africa and African states' struggle to comprehend China have delayed the development of coherent China policies. The first China–ECOWAS economic and trade forum was held in Beijing in September 2008. Coming after the first China–Africa Summit in 2006, West African countries hoped not only to highlight their natural wealth in agriculture, mineral wealth and oil and gas reserves, but also to underscore the viability of their financial institutions and stock markets and the attractiveness of their regional trading bloc. Infrastructural projects were at the centre of deliberations at this conference. Considering the instrumentality of this relationship, it is somewhat surprising that the next ECOWAS–China meeting did not take place until 2012 in Accra. Again, infrastructural development was at the heart of discussions, especially roads, railways, housing, construction and transportation; and the strengthening of collaboration between the private sector in West Africa and the Chinese private sector. These plans bode well for China, which actively seeks new ways to continue its remarkable growth that has lifted millions from poverty in China. But China will also have to think outside the box in its relations with ECOWAS, and Africa generally, relating in ways that builds African political economies, choosing to self-monitor and exert a mutually beneficial presence even where institutional and monitoring structures in African countries are weak. An economically prosperous Africa means an expanded market for China, and African demand for more high quality Chinese products and capital goods. China would need to facilitate relations

through forums that educate African governments and businesses on China. It would have to work with African governments to monitor and regulate what we call the 'third face of China', individual Chinese migrating to Africa in search of wealth. The recent debacle in Ghana over illegal Chinese small-scale gold miners, and its unhappy implications for the otherwise mutually beneficial relations between the two countries, is a good case in point.

Loose Cannons: Chinese Adventurists and Crises Moments in Africa–China Relations

In July 2012 the youth of the village of Manso-Nsiena in the gold-rich Amansie West District in the Ashanti Region of Ghana clashed with some Chinese suspected of being engaged in illegal mining operations in the district. The cause of the confrontation was the destruction of the local environment in a community with a history of buruli ulcer, a disease closely associated with environmental changes. National attention was riveted and temperament provoked at images carried in national news media, such as those in the *Daily Graphic*,³³ which showed half-dressed Chinese miners swinging shot-guns, which they fired in the air to deter the youth of Manso-Nsiena from approaching the mining camp. An armed police detachment rushed in from the nearest large town of Manso Nkwanta to defuse the situation and detained nine Chinese. There followed a few days of utter confusion and national debate on radio and in newspapers about who authorized these Chinese miners to engage in mining operations in Manso-Nsiena, their blatant disregard of Ghanaian laws seen not only in their mining without a license but also the bearing of arms, and what disciplinary measures should be enforced against them. Part of this confusion can, perhaps, be traced to what Lloyd Amoah has critiqued as the absence of a coherent Ghana policy on China, the ambivalence that marks official relations with China and public unease at the increasing Chinese presence in retail trade and even illegal mining.³⁴

The confused official response to Chinese illegal mining incidents may have two contributing factors. First is the ambivalence towards Western condemnation of China's lack of support for human rights in Africa. Highly conscious of its much-lauded democratic credentials and its interest to keep donor funds flowing, Amoah argues that Ghana, engages in 'self-censorship regarding her dealings with China at the expense of elaborating an independent, pragmatic China policy'.³⁵ China has a firm policy of 'non-interference' in the political affairs of trading partners in stark contrast with Western insistence on human rights and the World Bank's post-1989 position on political reform as a condition of the receipt of aid packages.

African governments appreciate the absence of condescension in China's treatment of its African partners, explaining the paradox of the eagerness of African leaders to engage China despite the West's criticism of 'Beijing's perceived amorality'.³⁶

Second, and perhaps more importantly, the confused official response reflects the reality of dealing with the three 'faces' of China in Africa: the state-owned enterprises that act as multinational corporations; the large private industries that operate with state backing; and the huge influx of ordinary Chinese who have flooded Africa in the past decade in search of a brighter economic future. So, there is, for instance, Ghana's dealing with Sinohydro, which has built the Bui hydro-electric dam on the Volta River or the China National Offshore Oil Corporation (CNOOC) that has invested in Ghana's oil industry. During the late President J.E.A. Mills's visit to Beijing in September 2010, the China Development Bank extended a loan of \$3 billion to develop Ghana's oil and gas sector, while China's Export-Import Bank pledged \$10.4 billion to support infrastructural development projects. Then there are the established private industries such as Huawei Technologies that is installing fiber optic cables in Ghana and manufactures the wireless router used for Internet service through the mobile phone provider Airtel.³⁷ Lastly are the ordinary Chinese who have entered the retail market in Ghana, flouting rules that limit the retail sector to only Ghanaians, flooding the market with cheap or shoddy Chinese manufactured goods, and illegally invading the small-scale mining sector, another area restricted to Ghanaian nationals.³⁸ Illegal mining incidents with the Chinese have worsened, leading to accidents in early June 2013 and much national and international attention. Apparently, there is a drive in parts of China such as Shanglin, an impoverished county in southern Guangxi Province, where news of the gold rush in Ghana has spread by word of mouth, to immigrate to Ghana. The *South China Morning Post* estimated in 2013 that there were about 50,000 Chinese gold miners in Ghana, two-thirds of whom had come from Shanglin. A twenty-four year-old man from Shanglin, Wen Daijin, interviewed for a news story in the *UK Guardian* in June 2013, reported that 'In my township, only men with physical disabilities don't have plans to go to Ghana'.³⁹

Diplomatic relations between China and Ghana come to a head in June 2013 with the deportation of hundreds of Chinese illegal miners. Not only were the Chinese miners in contravention of the Minerals and Mining Act of 2006, which clearly states in Section 83 (a) that licenses for small-scale mining would only be granted to Ghanaian citizens, the Chinese miners had introduced equipment that aided productivity in sand mining in river beds, but also polluted these river beds. Photographs of the polluted rivers in the

Ghanaian media stoked national alarm and led to the formation of a task force of immigration and military personnel on the instruction of the government to root out Chinese illegal miners and end their operations. Invited into partnerships by cash-strapped Ghanaians with mining licenses, the enormous Chinese investment in equipment like excavators, and in the compensation of farmers who farmed on mining concessions, drew them more directly into the actual process of mining in order to recover and make profit on their investment. They constructed make-shift mining camps in gold-rich areas in Amansie-West, Dunkwa and Bibiani. The success of their operations and the presence of gold winnings on the mining sites attracted armed robbers, leading to the need for the Chinese to arm themselves. It is instructive that many of these arms were legally acquired by the Chinese and licensed with local law-enforcing agencies for protection. I saw several such permits approved at the police headquarters at Manso-Nkwanta on 3 August 2013.

But the acquisition of firearms by Chinese miners added to the proliferation of small arms in a region recently plagued by civil wars in Liberia, Sierra Leone and Côte d'Ivoire, which led to the dispersion of small arms as these conflicts came to an end. This potentially dangerous situation led to the commissioning of a study that examined the impact of armed groups and guns on human security in the ECOWAS region.⁴⁰ Then there is the indigenous craft production of small arms by blacksmiths in West Africa, who serviced guns for hunters and farmers and gradually learned to manufacture pistols and rifles. With West Africa's porous borders there are already huge security concerns about the proliferation of small arms in the region, a development made direr with the acquisition of firearms by criminal networks, and the growing tendency for illegal miners to arm themselves. We have seen the consequences of these developments, especially in the Sahel-Sahara region.⁴¹ During the recently ended civil war in Côte d'Ivoire, armed rebels sought skilled miners from Ghana to come with their equipment and exploit gold-rich areas in rebel-held areas under armed protection.⁴² To this troubling situation has been added the arms abandoned by the Chinese miners in Ghana who fled at the approach of task forces. These guns were subsequently appropriated by villagers near the mining camps, making the Chinese reluctant to return for equipment they abandoned, considering the often tense relations between these Chinese miners and villagers.

The operations of the task forces were also marked by abuses as they provided an opportunity for both law enforcement agents and civilians to seize assets like cars and mining equipment from the Chinese, who acquiesced in fear of their lives. Chinese media displayed images of injured Chinese miners assaulted by the task forces. The evidence from the burnt

down mining camps I visited in August 2013 underscores how traumatic the activities of the task forces might have been for the miners, both Chinese and Ghanaian. In the aftermath of the deportations, both the Ghanaian government and the Chinese embassy in Ghana have reflected on whether they could have better handled this case of illegal Chinese miners. The loss of cash and capital goods to the Chinese, the impact on rural economies that benefitted from their presence and purchases, the injection of small-scale technologies that revolutionized mining for ordinary Ghanaians, all testify that the Chinese presence in small-scale mining was not completely adverse. Chinese participation in small-scale mining, only recently legalized for Ghanaian artisanal miners who had operated illegally for years as the colonial and postcolonial state endorsed expatriate and mechanized mining, put ordinary Ghanaians and Chinese on a collision course. The situation ended catastrophically partly because of the lack of a China policy on the part of the Ghanaian government, appreciative of its economic relations with the Chinese government but still treading on unfamiliar territory in its larger engagement with China; and partly because of China's interest in the activities of its state-owned enterprises and large private firms who pursue Chinese strategic interests overseas, but are disinterested or unable to monitor the activities of ordinary Chinese who immigrate to African countries. The stronger partner in this relationship, China, would have to take the initiative in building win-win relations with African countries. This cannot remain at the level of rhetoric, as economic weakness in substance disables African countries from driving this relationship. To promote a mutually beneficial relationship with African countries when China's economic might privileges it, and the minimal share of Africa's trade with China disadvantages Africa, requires an instance of enlightened strategy on the part of China.

Conclusion: China's Development Vision for Africa

In 1947 the United States decided that it was actually not in its interest to continue a policy that economically weakened its recent enemies, Germany and Japan, and that it was strategic to help rebuild war-torn Europe. Labelled as the Marshall Plan, and announced by US Secretary of State George Marshall at a lecture at Harvard University on 5 June 1947, the US committed US\$3 billion (the equivalent of \$130 billion today) between 1947 and 1951 to rebuilding war-torn Europe and Japan.⁴³ The US ended the 'Morgenthau Plan', which sought to curtail Germany's expansionist ambitions by 'pastoralizing' it; a process reinforced by the Soviet interest in stripping Germany of its advanced machinery. This is a remarkable example of thinking outside the box: 'It was a political signal that the US saw it in its

interest that other nations, even its former enemies, prosper.⁷⁴⁴ In another example of enlightened strategy, in 1947 the US and other richer countries set up the General Agreement on Tariffs and Trade (GATT), which allowed developing countries to subsidize and protect their fledgling industries. The result of these enlightened 1940s policies was spectacular, leading to what has been described as the 'golden age of Capitalism' (1950–73), witnessed in per capita growth rates in Europe, the US, and Japan, as growth rates leapt from 1.5 per cent in Japan to 8.1 per cent.⁴⁵ The remarkable role Japan (only recently displaced to the third largest economy in the world by China) and Germany have since played in the global economy provides strong evidence that economic growth is not a zero-sum game. And the US not only grew rich but also gained international goodwill that arguably only recently came into question in its military misadventures in Iraq and Afghanistan.

Parts of Africa have gone through recent wars or are still engulfed in conflict: Rwanda, Burundi, Uganda, the Democratic Republic of Congo, Mozambique, Angola, Liberia, Sierra Leone, Côte d'Ivoire, Mali and much of North Africa in its 'Arab Spring'. This, in addition to the economic deficits of colonial rule, sets the context for a boom in reconstruction. Africa's growth potential has become noticeable in the past decade. Its wealth in minerals is astounding, and we are experiencing a revived agricultural sector, thanks in part to World Bank policies in support of export agriculture. The Heavily Indebted Poor Countries (HIPC) facility extended by the World Bank also allowed poor countries debt relief and to redirect monies that would have gone to debt repayment to development projects. At the level of the African Union and the regional blocs, experiments in institutional reform, good governance, and peer review continue in the face of systemic corruption. What will China use its growing wealth and stature for in this critical juncture in African history with the current debate over whether this is Africa's time to enter sustained economic growth and structural transformation? We could continue to see Africa as a supplier of raw materials important to China's growth, a market for dumping Chinese manufactures, and a site for Foreign Direct Investment, presently with some of the highest rates of return; or this could be part of the ground-shifting process that transforms Africa's economies and changes the fortunes of the continent for the better in the long term. Unimpaired by a colonial legacy, noted for its lack of condescension or patronage compared to the West, and with a fund of goodwill based on its investments in infrastructural projects from the TanZam Railway to the Bui hydro-electric dam, China could be a force for good and positive change in Africa if it partners Africa in its developmental

agenda, providing capital, technology and vision. Like the Marshall Plan, this is the time for China to think outside the box, to assume an enlightened strategy towards Africa. The outcome would be even stronger economic growth for China.

Notes

1. This article was first presented at the Beijing Forum in November 2013 on a Panel on 'Regional Cooperation and Conflict: From a Multicultural Perspective'.
2. Chris Alden, *China in Africa* (London: Zed Books, 2007); Report on Trends of Chinese Foreign Trade (Spring 2013), Chinese Ministry of Commerce; Xinhua News, 25 March 2013; Chinese Ministry of Commerce (<http://www.mofcom.gov.cn/article/tongjiziliao/fuwzn/swfalv/201501/20150100877417.shtml>) for 2014 statistics.
3. Deborah Brautigam, *The Dragon's Gift: The Real Story of China in Africa* (Oxford: Oxford University Press, 2009).
4. G. Pascal Zachary, 'Africa Takes Off', *Foreign Policy*, 11 June 2012. The concept of 'take-off', popularized by modernization theory in the 1960s, and especially in W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge: Cambridge University Press, 1960), comes with heavy ideological baggage. Rostow propounded his theory from a Western perception of communism as the key threat in newly independent Asian and African countries. He advocated capitalist-style economic growth as the surest bulwark against the attraction of communism.
5. For an optimistic assessment, see Shanta Devarjan and Sudhir Shetty, 'Africa: leveraging the crisis into a development takeoff', *Economic Premise*, World Bank, No. 30 (Sept. 2010), pp. 1–4.
6. Bruce Fetter, ed., *Colonial Rule in Africa: Readings from Primary Sources* (Madison: University of Wisconsin Press, 1979), p. 109.
7. BBC, 'The story of Africa': Africa and Europe (1900–1914). www.bbc.uk.co/worldservice/africa.features/storyofafrica/11chaoter12.shtml. Accessed 18 September 2013.
8. Nilanjin Banik and C.A. Yoonus, 'Trade as an answer to sustainable economic growth – the ECOWAS story', *Global Business Review* 13 (2) (2012), p. 320.
9. Richard Bullock, *Off Track: Sub-Saharan African Railways*. African Infrastructure Country Diagnostic, Background Paper 17 (Washington, DC: World Bank, 2009).
10. Banik and Yoonus, 'The ECOWAS story', p. 320.
11. Bruce H. Kogh and Hedda R. Schmidtke, 'Electrical power in Africa: challenges and opportunities', *IEEE Smart Grid* (December 2012). Available at: <http://smartgrid.ieee.org/december-2012/731-electrical-power-in-africa-challenges-and-opportunities>, accessed 18 September 2013.
12. 'Africa attracts Arab investment'. Available at: http://www.africa-business.com/features/arab_africa_trade.html, accessed 8 March 2010.

13. Benu Modi and Seema Shekhawat, 'China and India in Africa', *Pambuzuka News*, Issue 456, 5 November 2009. Available at: http://pambuzuka.org/en/category/africa_china/60030.
14. Dean M. Hanink and J. Henry Owusu, 'Has ECOWAS promoted trade among its members', *Journal of African Economies* 7: 3 (1998), pp. 363–83.
15. Banik and Yoonus, 'The ECOWAS story', p. 315.
16. Olumuyiwa B. Alaba, 'EU-ECOWAS EPA: Regional Integration, Trade Facilitation and Development in West Africa', paper presented at the GTAP Conference, UNECA, Addis Ababa, 2006.
17. Erik von Uexkull, 'Regional Trade and Employment in ECOWAS' (OECD, 2011). An economic officer in the trade and employment programme of the International Labor Organization (ILO), von Uexkull's paper can be accessed at www.oecd.org/site/tadicite/48707550.pdf.
18. *ibid.*
19. *ibid.*
20. F.S. Wourtese, 'Migration, Poverty and Inequality: Evidence from Burkina Faso' (Washington, DC, International Food Policy Research Institute Research Paper 00786, 2008).
21. Banik and Yoonus, 'The ECOWAS story', p. 312.
22. *ibid.*
23. Alaba, 'EU-ECOWAS EPA'; and von Uexkull, 'Regional Trade and Employment in ECOWAS'.
24. Banik and Yoonus, 'The ECOWAS story', p. 324.
25. See, for example, *Daily Graphic*, 28 October 2005, 7 August 2006, and 26 September 2007. Additional funding of \$168 million was later required with \$22 million from the Ghanaian side.
26. Interview with Anthony Boye Osafo-Kissi, Resident Engineer, Bui Power Authority, 5 August 2013.
27. See www.buipower.com/node/107.
28. *Daily Graphic*, 6 January 2006.
29. *Daily Graphic*, 17 October 2009.
30. *Daily Graphic*, 25 April 2005 and 9 December 2005.
31. *Chronicle*, 20 June 2006.
32. Von Uexkull, 'Regional Trade and Employment in ECOWAS'.
33. 20 July 2012.
34. Lloyd G.A. Amoah, 'Ghana-China relations: from ambivalence and far to vision and action' (unpublished paper).
35. *ibid.*
36. Ian Taylor, 'Governance in Africa and Sino-African relations: contradictions or confluence', *Politics* 27 (3) (2007), p. 139.
37. Heidi Glaesel Frontani and Anna McCracken, 'China's development initiatives in Ghana, 1961–2011', *Journal of Sustainable Development in Africa* 14 (8) (2012), pp. 275–86.

38. The Busia government (1969–72) passed the Ghana Business Promotion Act, which restricted retail trade to Ghanaians.
39. *The Guardian*, 6 June 2013.
40. Nicolas Florquin and Eric G. Beman, ed., *Armed and Aimless: Armed Groups, Guns and Human Security in the ECOWAS Region* (Geneva: Small Arms Survey, 2005).
41. Wolfram Lacher, 'Organized Crime and Conflict in the Sahel–Sahara Region', in Frederic Wahrey and Anouar Boukhars, eds, *Perilous Desert: Insecurity in the Sahara* (Washington, DC: Carnegie Endowment for Peace, 2013), pp. 61–85.
42. Emmanuel Addo Sowatey, 'Small arms proliferation and regional security in West Africa: the Ghanaian case' (Nordic Africa Institute, 2012). Available at: www.nai.uu.se/publications/news/archives/051sowatey. Interview with small-scale miner in Bole, 4 August 2013.
43. On the creation of a new world order after World War II under American leadership, see Steil Benn, *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White, and the Making of a New World Order* (Princeton: Princeton University Press, 2013).
44. Ha-Joon Chang, *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism* (New York: Bloomsbury Press, 2008), p. 63.
45. *ibid.*

