1. Introduction: Bilateralism and beyond in China-Africa relations

This paper focuses on Chinese migrants in Africa. To date much of the focus on China in Africa has been on the diplomatic efforts and a mutually enriching ‘South-South’ cooperation. Yet, as Alden indicates “The behaviour of thousands of newly settled Chinese businessmen and the conduct of the African communities in which they live and work will matter as much as the diplomacy and concessions made at the government level” (Alden 2007: 128).

In absolute terms, the percentages of Chinese migrants to Africa are small compared to all emigration from China. We argue that these new migration flows from China to Africa are significant given that they are made up of state-sponsored construction teams or independent entrepreneurs, all of which make substantial economic impacts on host societies. Yet the governance of these flows is not coherent or planned. Rather, a range of different actors are involved in the governance of this migration and they operate through informal and formal modes of regulation. Crucially, we argue that African agency is central to these relationships.

2. Disaggregating flows across time and space

While most observers accept that China sent an increased number of workers to Africa, a major problem is that data are speculative. This paucity of reliable data raises further issues. First, history is crucial to understanding the periodization of migration and its relationships to economic and geopolitical forces. While this paper focuses on more recent Chinese migration to Africa, these movements connect to longer histories of migration, which can set up patterns that continue today. However, there is no path dependency in these migration flows since old and new Chinese migrants do not always interact. This division cautions against homogenizing the Chinese and urges us to look at the forces driving emigration from China and the differences within sub-communities of overseas Chinese.

In terms of China’s heightened role in Africa, an important differentiating factor is the scale and of Chinese enterprise. We find two main groups. First, temporary labour migrants are generally associated with large state-backed infrastructure projects. Chinese personnel live in compounds, and have little contact with African communities. A second group consists of petty entrepreneurs, who usually work in trade, services and light manufacturing, but lack government backing. They tend to live frugal lifestyles, rely on some family labour, and buy from China. The third group is undocumented Chinese migrants who purposefully evade state surveillance. These migrants may become petty traders to remain solvent, rather than engage in the longer-term strategy of becoming embedded in African economies.

The impetus for each of these groups is economic. Most Chinese respondents in Ghana, Nigeria and Angola saw their African stay as more lucrative than life in China. SOE workers found that overseas wages were two or three times those in China. Private businessmen also saw Africa as an opportunity. As one Chinese businessman in Ghana explained:
I don’t think I will be able to make more money in China than I can do here. The conditions in China are getting quite bad, and will be worse with this world crisis. I will stay overseas and support my family until my son has graduated. Wow, that’s like another 15 years (sigh).

A respondent in Angola noted: “This place is like China, very undeveloped in the past but now is the time…It is always the first pot that is most profitable”. The implication is that migration to the developing world may increase, by acting as a vent for China’s domestic underemployment.

But within these ‘Chinese’ groups there were internal differences. In our research in Ghana we found that Chinese migrants tended to organize around age and place of origin. But there were divisions within the ‘Chinese’ community in Ghana with suspicion, distrust and rivalry. This contradicts the purported model of Confucian capitalism. There is a capitalist imperative in this behaviour and so in analysing migrant flows we have to be attendant to political economy as much as cultural difference.

3. Unfolding governance of China-Africa migration
I now examine the different modalities for governing China-Africa migration and argue that a range of actors are involved in this and they operate through informal and formal channels.

*Elite bilateralism*
In terms of governing these Chinese migration flows most of the deals that are made with Africa are on bilateral terms, which follows a pattern that the Chinese established during the cold war. These relationships are brokered by state elites as exemplified by Angola. It was here that China, in need of energy resources, offered Angola a series of oil-backed loans amounting to around US$14.5 billion by 2011. Project proposals identified as priorities by the Angolan ministries are put forward to a joint committee of Angola’s Ministry of Finance and China’s Ministry of Commerce.

Under these loan agreements 70% of tenders are awarded to Chinese enterprises approved by the Chinese government. Furthermore, in principle at least 50% of all procurement for China ExIm Bank funded projects must come from China, but in practice most projects are implemented at closer to 70%, which ensures a large portion of the loans is redirected to China’s domestic economy. Moreover, there is limited evidence that Chinese loans are boosting Angola’s employment opportunities created for Angolan workers have been the cause of some tension locally. Where Angolans have found work on Chinese construction sites it has often been as security guards rather than as waged labourers.

Additionally, oil-backed loans amounting to as much as US$10 billion were provided by a private equity firm called the China International Fund (CIF). Similar to the state-backed loans the CIF loans have been managed by Angola’s Reconstruction Office, the *Gabinete de*
Reconstrução Nacional. The various Gabinetes founded by President Dos Santos have always been personalised vehicles for economic management as part of what Oliveira terms a ‘successful failed state’. China’s bilateralism encourages negotiations between elites that often occur outside of domestic accountability structures, suggesting that China’s entry may do little to alter existing forms of patrimonialism nor do they alter the structural position of these economies or kick start broader industrialisation.

Playing into these elite bilateral relations are weaknesses in local monitoring and enforcement of existing legislation that has a direct bearing on migration such as investment codes and immigration laws. This is not so much about purposeful governance but a political vacuum created by weak states and politicised bureaucracies. We saw in Ghana that some Chinese investors circumvented the local laws; for example, by labelling themselves as ‘wholesalers’ for purposes of conforming to the investment code but in practice operating as retailers.

A key issue is around African labour rights. The use of African labour varies according to labour market conditions and nature of the project, but that it is generally quite high in comparison to the negative portrayal of mass importation of Chinese labour. However, much of this African labour is relatively unskilled and few African governments are investing in vocational training, which creates a self-fulfilling prophecy of the Chinese requiring the importation of skilled labour. However, we have seen companies like Huawei setting up training centres in Africa as it is aware that local workers have certain advantages over Chinese staff. A similar issue is around linkages to local firms. We have seen in the cases of Angola and DRC that local content clauses were part of the loan agreements but that adherence is uneven. While there is emerging evidence that Chinese investment is creating linkages to African firms the jobs created tend to be low skilled and in the case of Angola contracts are skewed towards firms owned by the ruling party.

Informal governance and patronage
Just as many African governments have turned to China as an official development partner, African citizens have increasingly reached out to China as a source of useful resources. A manifestation of this is significant numbers of African traders who, since the mid-1990s, have travelled to China to buy Chinese consumer goods for export to Africa. It is these connections that have encouraged Chinese entrepreneurs to come to the continent. Respondents from Chinese manufacturing companies remarked that they had been alerted to West Africa by the quantity of orders they received from the region. For example, a Chinese entrepreneur who came to Nigeria in 2001 to sell textiles and subsequently set up a factory in Lagos in 2006 recalls, ‘I had a small scale factory in [China] and we knew that Nigeria was a large market because Nigerians were importing from my factory […] So that what was why I knew that there’s a market in Nigeria. So I came to Nigeria’.
In a twist to the dominant narrative around Chinese firms importing their own labour we found African companies increasingly view China as a source of skilled and/or hard-working labour and are actively bringing over Chinese workers. For example, Mr Daniel, a Nigerian entrepreneur had been importing finished furniture from China. When the Nigerian government banned the importation of furniture in 2004 he realised had to manufacture locally. Having been impressed by the quality of the Chinese furniture he had imported, he recruited a team of furniture-makers from one of his former suppliers in Guangdong Province.

Significantly, Chinese partners and workers brought over by African entrepreneurs have gone on to facilitate further Chinese immigration. Notably the founder of the ‘China Town’ shopping complex in Lagos, which served as an important gateway for Chinese migrants to Nigeria, was first brought into the country from China by Chief Oladipo, a prominent Nigerian businessman and politician. Chief Oladipo established strong business links with China in the 1980s and worked through a Chinese partner, Mr Wu, who benefitted from Oladipo’s patronage. Chinese private enterprises tend to work through local patrons who can assist in navigating cultural or ethnic barriers in hostile host societies, and to obtain contracts.

Civil Society and the politicisation of Chinese migration
African civil society plays a role in shaping the nature of and debate over Chinese migration. A number of Africa trade unions and business associations have critiqued China’s role. They identified a casualisation of labour and disapproval of unions, although many African workers doubt their respective unions’ ability to defend them.

Moreover union activism is not confined to African labour. The harsh working conditions and low pay in some Chinese factories prompted contract Chinese workers to protest even though they displayed limited solidarity with African workers. In theory local labour regulations govern migrant workers. However, the extraterritorial effects of China’s labour contracts often preclude Chinese workers from the trade union protections in the host country. The future looks bleak for organised labour in the face of a race to the bottom economic model and a willingness of African leaders to encourage foreign investment at any cost.

Some African actors have taken direct action to regulate the activities of the Chinese and on occasion have been supported by the state. In Nigeria, much of the agitation has focused on the ‘China Town’ in Lagos. In 2002 the Manufacturers Association of Nigeria began to mobilize against it. As a result the Federal Government added a number of goods, such as textiles and furniture, to its import prohibition list. In late 2005, the Nigeria Customs Service descended on the complex, seized banned imported goods and closed it for three months. The majority of the Chinese traders lost their stock. Some went out of business and returned to China while business never recovered for those staying on.
While the activities of African trade unions and business associations in contesting the Chinese presence reflect material concerns, a worrying trend is that these essentially class-based interests are obscured by negative ethnic and racial discourses. We found Chinese traders harbouring attitudes that may have long-term implications in local communities. Our research revealed cultural assumptions about what they termed ‘blacks’ that cast the indigenes as unsuitable for higher-level roles. Such employers cited a lack of trust for employing Chinese labour over Africans. Many felt that Chinese productivity was too intense – “Our tempo is too fast for the local people”. Be that as it may, a number of Chinese migrants in Angola said, “The Chinese are hated” and a sense of risk was pervasive. These perceived barriers, in turn, justified their own failure to engage with the locals. These assumptions about the other stand in stark contrast to official proclamations highlighting the mutually respectful relations between China and Africa, as discussed at the start.

Conclusion
We noted that political elites in China and most African states unilaterally trumpet a new era of South-South cooperation. However, we need to think about these migrant relations as beyond economism and ethnocentrism. The dominant ‘China Inc.’ assumptions tend to reduce Chinese motivations to singular, exploitative ones, but the data reveals more complex motives. This required a disaggregation of firms but also a focus on individuals within these organizations. It showed longer-term strategies for Chinese engagement in Africa, while the idea of coherent ethnic economies is also misplaced. We saw harder capitalist logics determining business behaviour, such that there was no inherent trust within a ‘Chinese’ community, and extensive relationships with African businesses.

However, there is a strong class and interest-based dimension to this. Cross-cultural friendships – especially business partnerships - tend to be elite-based, civil society action is often – but not exclusively - about protecting the class privileges of the African petit-bourgeoisie and the labour aristocracy, while the sections of the state that benefit from (and so fight for) Chinese investment is a selected elite.

Data also shows that where states and civil society are willing and able to enforce local laws, Chinese firms offer better wages and conditions. African policy responses have been quite weak to date. Recent calls by the Managing Director of the World Bank set out a clear agenda for leveraging more benefits from China’s engagement. She urged the Chinese to make investments consistent with national development priorities, which at root means creating jobs. Chinese firms should add value by locating more elements of the value chain in Africa. Our focus on smaller Chinese firms shows that many are inevitably engaged with local communities as suppliers, employers and as cordial neighbours. Given the flexibility and the quality of human interaction, many of the positive developments in South-South trade will be pragmatically negotiated and achieved at this everyday level.