

Book Review

China-Africa and an Economic Transformation by Arkebe, O. and Lin, J.Y., 2019. Oxford: Oxford University Press, 352 pp.

Ever since investment from China flowed into Africa, hopes grew for a new form of investment that would reflect the developmental effects of China's development policy at home. The initial experience with such investments through the African Growth Opportunities Area (AGOA) did not live up to that promise, as China's firms only hired direct workers from the host-countries, with a division of labour that appeared worse than that utilised by Western investment in developing countries in the 1970s and 1980s. This book offers something different as China's loans and investments have expanded infrastructure and trade in Africa, while the engagement of African leaders provides the promise that new bargains could be struck between African governments and China – especially so when China's progress has been viewed as a consequence of heterodox rather than neoliberal approaches. Whilst it is still too early to offer generalisations, this book brings together, through fifteen chapters, a wide range of issues pertinent to a profound understanding of China-Africa investment relations.

Arkebe Oqubay and Justin Lin start the discussion by pointing to the void left by the debt crisis and the imposition of structural adjustment packages, which gave Chinese aid and investment the opportunity to seek out oil and other raw materials in Africa. They rightfully underline the need to understand that while China's engagement in Africa has risen sharply since the mid-1990s, it is also uneven. Chapters two and three by Linda Yueh and Celestin Monga emphasise the need for African countries to understand China's industrialisation experience, in order to adapt rather than to imitate China's path.

Chapters four, five, and six focus on the policy instruments behind China's participation in trade, aid, investment, and technical assistance with African countries. In chapter four, David Shinn discusses China's rapid focus on Africa as a means to seek oil and other raw materials, noting the major policy shift from Mao Zedong's leadership, that emphasised liberation movements internationally, to Jiang Zemin, Hu Jintao, and Xi Jinping's leaderships where the emphasis moved to economic interests. In chapter five,

Chris Alden presents a historical account of Africa-China relations since the 1980s. In doing so, the chapter provides a glowing account of rising Africa-China trade that has been driven by economic complementarities. The Belt and Road initiative is seen here as an initiative that seeks to further integrate Africa-China relations. In chapter six, Ian Taylor calls for a review of the Forum for China-Africa Cooperation (FOCAC) to address coordination problems that need to be resolved to strengthen China-African relations.

Chapters seven till twelve examine the dynamics of China-Africa economic ties. Deborah Brautigam argues in chapter seven that Chinese loans over the period 2000-16 have cleared the critical impasse in project financing in Africa. Building upon this, Richard Carey and Jing Gu highlight in chapter eight the importance of these loans in financing infrastructure and the importance for using a state-market model in promoting economic growth and structural change. In chapter nine, Cyril Obi debunks an often-held perception that giant oil companies dominate states when accessing oil mining rights. This critical chapter points to how powerful national elites capture massive rents from such joint activities but in a manner that rarely benefits the ordinary citizens.

In chapter 10, Omolade Adunbi and Howard Stein discuss special economic zones with a focus on Lagos and Ogun in Nigeria, arguing that these zones have not only failed to attract many foreign manufacturing firms, but have also, so far, performed poorly. Won Kidane examines in chapter eleven international trading agreements, including those under the World Trade Organization (WTO), and bilateral and unilateral agreements with African countries. He makes the point that China's concessions for African countries are generally more generous than those offered under the WTO. Chapter twelve by Carlos Oya refutes the general idea of labour regimes involving Chinese firms in Africa. The chapter argues that any assessment of job creation and skill formation must be undertaken in the context of prevailing structural conditions, and in that sense, offers a transformative role for China's investment in Africa.

Chapters fourteen and fifteen focus on how China's investment in Africa can play a catalytic role in Africa's economic development and structural transformation. Fantu Cheru and Arkebe Oqubay argue in chapter fourteen that Africa's capacity to bring about rapid growth and structural change will depend on African leaders' abilities to strategically drive the transformation process. It is that sort of strategic position, they argue, that has stimulated

industrialisation in Ethiopia. In the concluding chapter, Arkebe and Lin underline the significance of understanding China's economic rebalancing strategy, in the face of the fourth industrial revolution, for African countries to position themselves strategically to attract low-cost investment from China.

Whilst we still do not know enough of China's investment in Africa owing to its infancy in several countries, overall, this is an interesting book. It raises several questions about how scholars and policy makers should assess China's aid, foreign direct investment, and technical assistance to African countries. This edited book does point to the need for both Chinese and national (including local) interests to be profoundly evaluated in a balanced way to extract lessons for the further integration of relations between African and China, including the unfolding Belt and Road initiative. It will be interesting to see the editors working on a new volume later to present evidence on technology transfer, emergence of local supplier relations, wages and working conditions of workers, and how the national innovation infrastructures of the African countries have responded to China's investment to upgrade their industries.

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