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# CHINA AS AN ALTERNATIVE TO THE WASHINGTON CONSENSUS: IMPLICATIONS FOR AFRICAN SUSTAINABLE DEVELOPMENT

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# ABSTRACT

China's growing influence in Africa has come under close scrutiny among pundits. Some maintain that it is the failure of Western free-market dogmatic approach to solving Africa's problems that creates the enabling environment for China to offer a more practical pro-public investment-oriented approach. Others see China's presence in Africa as a scramble for the latter's natural resources to fuel China's domestic needs, using foreign aid as 'soft power' to cajole African leaders. Citing multiple empirical cases, this paper contrasts the Chinese strategy in Africa with that of Western pro-Washington Consensus approach and draws some implications of both approaches for Africa's sustainable development. Whilst the Western approach based on wholesale implementation of free-market policies could be detrimental for African poverty reduction, its emphasis on reforms could lead to sustainable development. Also, whilst the Chinese non-interference approach is inimical to sustainable development, its support for public spending on pro-poor infrastructure could alleviate poverty in Africa. However, a strong civil society is needed to monitor in particular Chinese engagements with African governments to ensure greater sustainability.

Keywords: China, Washington Consensus, Africa, Sustainable Development, Poverty Reduction, Environment

### INTRODUCTION

Chinese development cooperation in Africa dates back to the early days of African colonial independence. China deployed its first official foreign aid to Africa (Ghana) in 1960, barely three years after the West African nation attained its political independence (Brautigam, 2008). China-Africa cooperation during this period, however, was meant to bolster African support and recognition for China's 'One-China-Policy' agenda: the rejection of Taiwan as a sovereign state (Hackenesch, 2009; Thompson, 2007). Thus, African votes in the UN were seen by China as crucial in the determination of a verdict on its rivalry with Taiwan (Konings, 2007; Zheng, 2010). Recent motivations for China's push towards Africa are a combination of political interests (China's desire to increase its geopolitical influence at the global stage) and economic interests; the desire to secure raw materials to fuel its growing domestic economy (Jiang, 2009; Taylor, 1998). Even though there is lack of transparency in China's foreign aid statistics (Sun, 2014), recent estimates suggest that Africa receives close to 46% of annual aid flows from China (China Africa Research Initiative, 2020). This is in close competition with that of Africa's biggest development partner, the EU (50%) and higher than that of the USA (32%) (McBride, 2018; OECD, 2018).

The increasing Chinese economic and political influence in Africa in recent times, however, has sparked controversy among scholars and development experts putting the country's bilateral relations with the African continent under close scrutiny. For some pundits, China's increasing presence on the African continent is a signal that American/European (Western) prominence on the world stage is under siege (Alden, 2007; Gill and Morrison, 2007). Here, it is the failure of the Western rigid free-market approach to solve Africa's challenges that is giving prominence to the Chinese' 'innovative' state-controlled approach (Hackenesch, 2009; Sachs, 2007; Turin, 2010). Others attribute China's growing presence in Africa to the former's insatiable desire to secure natural resources to fuel its high energy-propelled manufacturing economy (Jiang, 2009; Mash, 2015).

The aim of this paper is to discuss these different perspectives on China-Africa engagements, contrast them with the Western approach and draw some implications for Africa's sustainable development agenda. The rest of the paper is organized as follows; in the next section, the Western free market approach as per the principles of the Washington Consensus are outlined, followed by a Chinese policy declaration towards Africa. The subsequent section deals with some perspectives on evolving Chinese strategy and presence in Africa, whilst the final part discusses some implications of these Western versus Chinese approaches for Africa's sustainable development citing some empirical cases on the continent.

# THE WASHINGTON CONSENSUS: IDEALS AND CRITICISMS

Western development aid to post-independent African nations (1950s to 70s) was largely driven by the growth and modernization thinking: a transition from a rural, agricultural-based economies that are typically unproductive to a modern post-industrial economy based on a functional bureaucracy and expanded role of the state (Green, 2008; Rostow 1960; Thorbecke, 2006). By the 1980s however, cumulative effects of post-independence nationalist economic policy paths chosen by newly independent African states (non-performing, highly indebted and inefficient public enterprises), coupled with decades of government borrowings have plunged many of these developing economies into heavy foreign debts and budget deficits (Corbridge, 2009). In what became popular as the 'Washington Consensus', the British economist John Williamson (1990) outlined the shared policy advice among the Washington based global financial institutions at the time; The World Bank, IMF and the U.S Treasury Department. The Washington Consensus essentially hinges on certain ideals of free-market capitalism as a basis for macroeconomic stability; floating exchange rates, trade liberalization, deregulation, privatization, tax reforms, low government borrowings, removal of indiscriminate subsidies, among others (Turin, 2010).

These free-market ideals became widely accepted as policy prescriptions for stimulating growth and stability in developing nations whereby recipients of Western aid must adhere to and accordingly effect policy changes (Harris, 2008).

Whilst proponents have lauded the Washington Consensus for broadening government tax base, market efficiency and growth, and enhancing the flow of foreign direct investments in developing nations (Handelman, 2008), it is common knowledge however that Structural Adjustment Programs (SAP) under the Washington Consensus delivered disastrous outcomes for many economies in Africa by the 1990s (Stiglitz and Greenwald, 2003). Free-market reforms which included public expenditure cuts in agriculture, less protection of local industries and privatization of critical utilities escalated unemployment and poverty levels (Konadu-Agyemang, 2000; Meertens, 2000). Between 1980 and 1992, GDP growth was less than 1% in Africa where free-market policies were being rolled out, compared with 5% for East Asia and the Pacific where the State played an active role in enhancing economic and social policies (Lee, 2006). Again, elimination of agricultural subsidies under SAP resulted in cutbacks in Africa's agricultural and food exports from 21% to 8% between 1980 and 1990, and also rendered many rural farmers jobless and poorer (Loxley, 1990; Meertens, 2000). These abysmal performances under SAP in developing countries like Zambia and Ghana (see Loxley 1990 for full case analysis) coupled with escalating levels of poverty, unemployment and inequality necessitated some recent amendments to the Consensus to incorporate not just human capital formation through pro-poor programs but also good governance, institutional reforms and sustainable development broadly (Stiglitz and Greenwald 2003; Lopes, 2012). These attachments are often manifested as conditionalities attached to Western aid dispensed in Africa and developing economies.

# CHINA'S AFRICA POLICY STATEMENT

Contrary to prescribing one-size-fits all policy recommendations to all developing countries, China adopts a 'model' based on the belief that each country's problem is unique and therefore requires a unique approach (Turin, 2010). Sometimes labelled as 'Beijing Consensus' (Ramo, 2004), the Chinese development trajectory is grounded on three guiding principles. The first, 'innovation' posits that governments need to be innovative in designing solutions that adapt to, and address specific needs and challenges of their citizenry irrespective of what the outside world thinks. This involves "constant tinkering and constant change, and a recognition that different strategies are appropriate for different situations" (Leonard cited in Turin, 2010, p 1). As observed by Ogden (2002), Chinese government is noted to heavily rely on surveys and polling to assess the impacts and popularity of its policies to ensure that proposed policies are able to solve problems that are really crucial and unique to its people. The One Child policy for instance looked absurd to the outside world and received wide criticisms on moral grounds but eventually turned to work in China's interest in pursuing growth and stability relative to its population (Turin, 2010). The second principle involves 'pursuit of dynamic goals' and emphasizes the rejection of per capita GDP as the sole driver of development priorities, calling on developing governments to reject Western policies that weigh this objective higher than crucial issues like quality of life and individual equity (Ramo, 2004). China strongly focuses its attention on promoting reforms and innovations that enhance a balance between economic and social development (Yusuf and Nabeshima, 2006). The third principle 'self-determination' emphasizes the need for developing countries to actively free themselves from pressures imposed by Western powers: "Countries can plan their own development without having to accept the unfavourable terms of the Washington Consensus" (Turin, 2010, p 1).

These became the theoretical foundations of the official policy instrument on China's role in Africa for the century: China's 'Africa Policy' announced in 2006 (Zheng, 2010). The guiding principles as outlined in the Africa Policy reflects China's emphasis on South-South cooperation with Africa: a relationship based on friendship, equality and mutual benefits as

opposed to one on a donor-recipient relationship of the West (Mohan and Power, 2009; Taylor, 2007). These are also grounded on the five principles of 'peaceful coexistence' popularly referred to as the principles of 'non-interference'. Notable among them is non- interference in the 'internal affairs' of a sovereign state (Taylor, 2007). The principles of non-interference are often manifested as a no political, economic and environmental conditionalities attached to Chinese development assistance in Africa and other developing nations.

# CHINA-AFRICAN COOPERATION: FROM IDEOLOGY TO EXTRACTIVE 'IMPERIALISM'

China's engagements with Africa has evolved fundamentally since the 1950s (Hackenesch, 2009). Sino-African relations during the era of Chairman Mao (1940s to 1970s) was mainly driven by political and ideological considerations. First, China, based on its self-identification as a developing nation (Konings, 2007) considered itself as de facto leader of the 'Third World' and treated African nations as natural allies in China's struggle against Western 'imperialism' and Soviet 'revisionism' (Shelton, 2001; Zheng, 2010). China's bilateral relations was deepened during this period through funding of several liberation movements and construction projects in Africa (Konings, 2007). Second, China's interest in Africa during this period was also driven by the former's urge to bolster Africa's support for its 'One-China-Policy' in its diplomatic tussle with Taiwan. Thus, African votes in the UN were seen by China as crucial in the determination of a verdict on its rivalry with Taiwan (Konings, 2007). Indeed, when the People's Republic of China was declared by the UN as the legitimate representative of China in 1971, the then Chinese leader and founder chairman Mao noted that "It is our African brothers who lifted us into the UN" (Zheng, 2010, p 271). In the 1980s, however, Africa's importance to China dwindled under paramount leader Deng Xiaoping who was forced to turn towards the West for a much-needed foreign direct investment after initiating market reforms and embracing a capitalist economy (Taylor, 1998). From the 1990s things took a dramatic turn again after China suffered harsh economic, political and military sanctions from the West over China's political intolerance, notably its bloody crackdown on pro-democracy protestors in Tiananmen Square in 1989 (Zheng, 2010). This time China found Africa not only as a more reliable partner but began a vigorous campaign to renew its interest, strengthen relations and expand its presence on the continent (Konings, 2007). By the end of the last decade Chinese foreign aid covered some 53 countries on the African continent far more than that of the United States (Brautigam, 2008).

However, China's growing presence in Africa in recent times, especially after the first Forum on China-Africa Cooperation (FOCAC) in 2000 has been interpreted by some pundits as a scramble for African natural resources to fuel China's growing domestic economy (Jiang, 2009; Mash, 2015). Having gained much notoriety over the past three decades as the 'World's Factory', China's high energy-propelled manufacturing structure and a high consumer trend is deepening its reliance on oil and strategic minerals like copper and cobalt and other raw materials (Munson and Ronghui, 2011). China currently imports more than 31% of its oil from Africa, and could get as much as 95% and 61% of South Sudanese and Angolan oils respectively (Dahir, 2019). The need to diversify oil sources from the Middle East towards Africa in the interest of energy security in the aftermath of 9/11 terrorists' attacks reverberates with some Western industrialized countries as well (Mohan and Power, 2009). Nevertheless, it is particularly the 'selfish' manner in which China deploys its development assistance and its potential ramifications for international aid regimes and sustainable development broadly in Africa, that has vexed many Western pundits (Bosshard, 2008; Mash, 2015). It is argued that under the disguise of its South-South cooperation rhetoric China exerts 'soft power' on the continent (Nye, 2006) where Chinese development aid plays a crucial role in securing Africa's natural resources. China has been accused of using opportunistic lending or 'rogue aid' (nondemocratic

and non-transparent) to cajole African leaders into accepting unsustainable Chinese deals (Naim, 2007). This has been noted to potentially undermine Western efforts in promoting sustainable development in Africa (Alden, 2007).

# CONFLICTING STRATEGIES AND AFRICA'S SUSTAINABLE DEVELOPMENT: A MULTIPLE CASE APPROACH

On 1 January 2016, the United Nations launched a new set of 17 Sustainable Development Goals (SDGs) revolving around human development and poverty reduction, economic development, environmental protection as well as political empowerment to be attained by 2030 (UN, 2016). The most widely used definition of the concept of sustainable development is the one by The World Commission on Environment and Development (Brundtland Report): "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Goodland, 1995 p 5). Sustainable development basically highlights the need to find a balance between the pursuit for economic growth and societal life quality without compromising environmental life support systems. It revolves fundamentally on three pillars of sustainability; economic, social and environmental (Daly, 1990; Goodland, 1995; Opschoor, 1992; Redclift 1994).

China's growing influence in Africa comes at a time when the concept of sustainable development has gained much attention on international development agenda. The ensuing discussion is focused on growing Chinese presence and influence on the African continent and its potential implications for Africa's sustainable development vis a vis the Western approach. This objective is achieved in reference to specific cases; bilateral deals, strategies and projects.

#### Poverty Alleviation

Sustainable development goal 1 is targeted at eliminating global poverty in all its forms whilst goal 2 aims at ending hunger, achieving food security and promote sustainable agriculture (UN, 2016). Similarly, renowned sustainability planning expert Robert Gibson maintains that a crucial sustainability assessment criterion is availability of 'livelihood sufficiency and opportunity' by ensuring everyone has enough to live a decent life (Gibson, 2006). Currently, the world's poorest people (extreme poverty) are measured as those living on a poverty line of less than US\$1.90 a day (World Bank, 2016). About 42% of sub-Saharan Africa's population falls within this category (UN, 2016). Poverty reduction therefore must be a primary focus of any foreign development intervention in the region and strategic state investment in pro-poor policies is crucial.

Evidence abounds pointing to the fact that for over three decades the Western approach grounded on free-market economic reforms delivered a disproportionate devastating social impact on the poor (Lopes, 2012; Sahn et al., 1997). African governments under the SAP were advised to cut back or close down public investments in agriculture and privatize national health systems, power networks, water utilities, among others leaving the poor to fend for themselves. Removal of input subsidies on agriculture for instance negatively impacted agricultural productivity, escalated food prices and rendered poor farmers jobless in places like Tanzania, Zambia, Nigeria among others (Loxley, 1990; Meertens, 2000). Again, privatization of public institutions rendered about 60% of civil servants jobless by 1991 in Ghana, whilst liberalization of land markets escalated unequal land distributions and illegal mining in countries like Tanzania, Burkina Faso and Ghana (Hilson and Porter, 2005).

Fundamentally, the point of divergence between the Western approach and that of the Chinese in Africa revolves around public versus private spending (Hackenesch, 2009). In his 2007 article 'China's Lesson for the World Bank', renowned economist Jeffrey Sachs problematized the Western approach to aid in Africa and why China's presence is gaining grounds.

He noted that Chinese officials emphasized the crucial role of "public investments, especially in agriculture and infrastructure, to lay the basis for private-sector-led growth" whilst the World Bank has forgotten these fundamentals of development "preferring to lecture the poor and force them to privatise basic infrastructure, rather than to help the poor to invest in infrastructure and other crucial sectors" (Sachs, 2007, p 1). This way, Chinese strategy in Africa is simply gaining grounds because it links public investments in health, agriculture, education and infrastructure to private sector growth whilst the World Bank's free market approach sees this as hostile to private sector development (Hackenesch, 2009; Moyo, 2010; Turin, 2010). Public investment is seen in this sense to being more pro-poor than private. Contrary to the Western approach, China reiterated its financial support for public investments in Africa especially in agriculture and other propoor infrastructure (Sachs, 2007). China is aggressively engaged in providing massive infrastructure in several African countries like Ethiopia, Kenya, Tanzania, among others (China Africa Research Initiative, 2020). Also, a recent study has shown massive investments by Chinese state enterprises in agricultural development in several countries including Zimbabwe and Mozambique (Gu et al., 2016).

Also relating to African poverty reduction, it is argued that being a developing country itself, China can offer tailored goods and services that are better suited to the needs and aspirations of African societies than that provided by advanced Western counterparts. Thus, Chinese consumable goods are generally more affordable for the poor (Bosshard, 2008). Finally, China's position as a global leader in renewable energy technology could be useful for Africa's rural electrification (Powanga and Giner, 2019). Overall, some have argued (e.g. Moyo, 2012; Sachs, 2007) that a wholesale implementation of free-market reforms in Africa without giving African states the flexibility of targeted protection of infant industries and pro-poor investments over the years that Africa has leaned towards the West has escalated poverty and underdevelopment. Thus "in terms of delivery of the reduction of poverty and also sustainable economic growth, clearly the Chinese story has some appeal." (Moyo, 2012 p 1).

Some commentators have, however, argued that with very little scope for promoting value added industrialization on the African continent, China may simply offer new markets for cheap African primary exports. This will not change the fundamental structure of Africa's economy as primary exporter, and neither will it alter Africa's subservient role in the international division of labour (Mohan and Power, 2009). The renowned Kenyan scholar and Pan-Africanist Professor P.L.O. Lumumba shares similar views and cautions African leaders to be vigilant if Africa is to benefit from its relationship with China. He holds the view that Africa needs to correct its trade imbalance and refrain from exporting primary commodities but ensure that China contributes immensely to Africa's industrialization drive through technology transfer and by relocating some factories to Africa (SABC News, 2018, September 8).

#### Environmental Footprints

Sustainable development goals 13, 14, 15 among others aim at ensuring various aspects of environmental sustainability. These require the building and maintenance of a healthy human-ecological relations that not only maintain sociobiophysical systems integrity but also reduce human threats to the viability of environmental life support systems. Western financial institutions like the World Bank since the 1980s have adopted policies to safeguard the social and environmental impacts of the projects they finance and execute abroad (Bosshard, 2008). Similarly, by 2001 export credit agencies of OECD member states have adopted their 'Common Approaches to the Environment' in which they are committed to juxtaposing host countries' environmental standards against that of the World Bank's and other internationally acceptable standards in execution of projects (OECD, 2003). The China Exim Bank which is the main financier of its overseas development projects is not a signatory to the Common Approaches and neither is China an OECD member. China has its own environmental guidelines but some assessments have shown that less than 10% of its environmental laws are actually enforced (Alden, 2005). This laxity in enforcement is attributed to China's overlapping environmental regulatory regimes where multiple agencies at provincial levels prioritise economic growth rather than environmental concerns (King, 2016).

Firstly, given China's own abysmal domestic environmental performance caused by a development model that promotes economic growth at the expense of environmental damage (Jiang, 2009), many have expressed concern that China is exporting this model to Africa (Alden, 2005; Mash, 2015). China's modernization drive accommodates the relocation and siting of heavily polluting industries from North American and other Western multinational corporations causing significant damage to China's ecosystem and the environment. With about 90% of its city rivers polluted with industrial waste and emitting the largest amount  $(28\%)^1$  of carbon dioxide as a country by 2015, China currently remains one of the worst polluters on the planet (Jiang, 2009). Indeed, it has been observed that Chinese enterprises especially in the extractive industries in Africa use lower environmental benchmarks to outbid Western companies who adhere to high international environmental standards during competitive biddings for projects (Bosshard, 2008; Mash, 2015). As this is environmentally destructive for Africa, it also has serious consequences for the global sustainability agenda as more responsible donor organizations and financial institutions are being priced out by China (Hackenesch, 2009; Naim, 2009). Moreover, borrowing governments in Africa are also using the threat of an alternative Chinese funds to pressure Western donors to lower their environmental standards (Bosshard, 2008). In November 2006 for instance, Philippe Maystadt, then president of the European Investment Bank expressed concern at the alarming rate at which Chinese banks were snatching projects from his bank in both Africa and Asia by undercutting environmental and labour standards. Maystadt then called on other international financial institutions to take a second look at their own standards (Financial Times, 2006, November, 28).

Secondly, per the principle of national sovereignty, multinational corporations are subject to the laws of their host nations: "the investor voluntarily subjects himself to the regime of the host State by making entry into it" (Mash, 2015, p 404). These laws include tax incentives, labour standards and of significance here, environmental impact assessments. Even though Western condemnation has forced several Chinese banks recently to sign on to international standards such as UNEP and the Equator Principles<sup>2</sup>, Chinese multinationals do not adhere to international standards in Africa where they are solely governed by African domestic environmental laws due to China's principle of non-interference (French, 2014). This presents challenges for African environmental sustainability for two reasons. First, African environmental regulations are weak due to inadequate financial and human resources to enhance effective monitoring, and also due to corrupt government practices (Kohli, 2009). Second, African nations' quest for environmental protection is often undermined by the need to attract foreign direct investments (Mash, 2015).

In tune with this arguments, empirical observations have shown that several projects that Western financial institutions have declined to finance in Africa because social and environmental costs far outweigh the benefits per international standards had been accepted and undertaken by Chinese banks with severe environmental costs (Bosshard, 2008). A case in point is the Merowe Dam Project in Sudan (see Askouri, 2007 for full case analysis). Several European countries and more specifically the French export credit agency COFACE<sup>3</sup> declined to provide financial support for the project due high potential environmental and social impacts. China did not share in these scruples of Western financial institutions but instead doled out \$520 million in 2002 becoming the major foreign financier of the project. Independent post-Merowe Dam

<sup>&</sup>lt;sup>1</sup>International Energy Agency: CO2 Emissions Statistics [Accessed 20/04/2020]

<sup>&</sup>lt;sup>2</sup> The Equator principles: [Accessed 22/02/2020]

<sup>&</sup>lt;sup>3</sup> <u>COFACE</u>: Compagnie Française d'Assurance pour le Commerce Extérieur

Project assessments like EAWAG (2006)<sup>4</sup> and UNEP (2006) identified several adverse impacts ignored in the original EIA; fluctuating water levels and sedimentation adversely affecting water quality, public health and aquatic ecology, river bank erosion, blocking of fish migration and silt loss for flood recession agriculture. Again, some 70,000 local famers were displaced from their fertile downstream localities to arid locations, and thereby exacerbating poverty and social conflicts (Bosshard, 2008). Similarly, Zambia's Lower Kafue Gorge Project rejected by the World Bank and the European Investment Bank (EIB) on environmental and social grounds was financed by China with similar adverse impacts on the environment and downstream communities (Collier, 2006). Again, Ghana's Bui dam project was rejected by the World Bank due to its potential impacts on downstream communities and on a protected land- Bui National Park. This was financed by China Exim Bank. Indeed, a recent study have shown that the ecosystem of the national park is under threat as greater part has submerged in flood whilst "existing livelihoods systems of downstream non-resettled communities post-Bui dam construction have been severely disrupted" (Owusu, et al., 2019, p 487). Again, in a recent barter deal with China, Ghana's government has exchanged the Atiwa Range<sup>5</sup> (designated as a Globally Significant Biodiversity Area) for Chinese aid. Under the deal the Chinese state-owned firm Sinohydro will mine bauxite in the range in exchange for several infrastructural projects (Ghana Business News, 2019, March 25). This deal was signed despite massive protests from local communities, environmental groups and civil society. The Ghanaian authorities are fully aware that no responsible Western financial institution would sponsor a mining project in this ecologically fragile zone. General observations among pundits (Bosshard, 2008; Jiang, 2009; Mash, 2015) often point to the fact that China is so fixated on Africa's natural resources that environmental due diligence is often overlooked and this is detrimental for Africa's sustainable development.

#### Political Empowerment, Governance and Accountability

Chinese aid is deployed in Africa devoid of political and economic conditionalities in sharp contrast with aid administered by Western donors and financial institutions, which is often tied to reforms (Woods, 2008). Some Chinese pundits contrast the Chinese approach with that of the West as "one of humanitarian and development aid plus influence without interference, in contrast to the West's coercive approach of sanctions plus military intervention" (Qian and Wu cited in Power and Mohan, 2010, p 488). President Xi Jinping, during his opening speech at the 2018 Forum on China-Africa Cooperation (FOCAC) reminded African leaders that China will not impose its will on Africa nor attach any strings to its investments and financial cooperation in Africa (FOCAC, 2018). On the contrary, in the same year former U.S national security advisor John Bolton hinted on Trump's new strategy for Africa: 'Prosper Africa'.<sup>6</sup> He noted that the U.S. "will no longer provide indiscriminate assistance across the entire continent…but ensure that U.S. taxpayer dollars for aid are used efficiently and effectively."<sup>7</sup> 'Prosper Africa', among others is also meant to "demonstrate the superior value of transparent markets and private enterprise for driving growth" on the African continent (Kamau, 2020 p 1).

Critics have argued that the lack of a focus on political empowerment, transparent fiscal and governance reforms associated with Chinese deals in Africa will create limited distributional outcomes of a Chinese-led growth and escalate corruption and elite capture (Mohan and Power, 2009). Nigeria for instance, ran down its railways sector in mid 2000s due to excessive corruption and inflated bureaucratic costs (Chen, 2018). Based on common sense observation, the World Bank noted that there was no point to continue loaning money to Nigeria without tackling the underlying issue of corruption. However, just as a deal was about to conclude between Nigeria, the World Bank and its private partners to 'clean up' the corrupt railway

<sup>&</sup>lt;sup>4</sup> EAWAG is the abbreviation for the Swiss Federal Institute of Aquatic Science and Technology

<sup>&</sup>lt;sup>5</sup> For more information on the <u>Atiwa Range</u>: [Accessed 22/02/2020]

<sup>&</sup>lt;sup>6</sup> For more information on <u>Prosper Africa</u>: [Accessed 20/03/2020]

<sup>&</sup>lt;sup>7</sup> U.S. Foreign Policy 2013: Remarks by national security advisor ambassador John R. Bolton on the Trump administration's new Africa strategy, December 13, 2018.

sector, China offered a \$9 billion deal to rebuild Nigeria's entire railway system, and of course in exchange for Nigeria's oil: no bids, no conditions for institutional reforms, among others (Chen, 2018; Naim, 2009). Similarly, in 2003, Angola approached the IMF for help in rebuilding its badly damaged oil infrastructure after emerging from a long civil war. The IMF officials observed that there was a need for reforms that will enhance more transparency in oil revenue flows to reduce corruption and the possibility that oil funds do not slip in to the hands of militant groups. To the chagrin of many pundits, however, Angola ditched the IMF deal for a Chinese offer with no conditionalities (Corkin, 2011; Mohan and Power, 2009).

Democratic governance built on collective decision-making through more opened and informed deliberations (Gibson, 2006) is a core requirement for sustainable development. The SDG 16 seeks to promote just, peaceful and inclusive societies (UN, 2016). Political empowerment reduces vulnerability, ensures a strong civil engagement, political accountability and transparency leading to less corruption and peaceful society (Agarwal, 2001). Assessing through this lens, Western development assistance can be said to be more sustainable since it is often conditioned on democratic governance. The United States for instance links Africa's development to peace, security and democracy and maintains that animosity arises when there is instability (Mohan and Power, 2009). America's foreign policy instruments like the Millennium Challenge Corporation<sup>8</sup> for instance has been lauded for enhancing political reforms and democracy in Africa (Brainard and Driscoll, 2003) even though some view such democratic instruments as a prerequisite for propagating Western free market dogma (Chang, 2007; Kuhner, 2014).

For African development, China's non-interference principle could be good and bad. On one hand, African leaders see China as important economic partner who provides a countervailing force and alternative funding source that allows them to "eschew the often dogmatic..." political and economic policy conditionalities imposed by the dominant Western financial institutions (Mash, 2015 p 401). On the other hand, lack of fiscal probity and transparency associated with Chinese aid could escalate elite capture and corruption, and increase Africa's indebtedness, inequality and poverty (Mohan and Power, 2009). Also, China's limited scope for political reforms is detrimental to Africa's quest for democracy, and gives hope to dictators like late Robert Mugabe who viewed China as "our all-weather friend…and God-given true friend of Africa."<sup>9</sup>

#### CONCLUSION

Chinese development intervention in Africa dates back to the early days of African colonial independence. However, China's recent growing influence in Africa has generated controversial debates among many policy-makers and pundits particularly in the Western world. Africa is currently among the largest aid recipients from China, accounting for 46% of annual aid flow from China.

Some scholars tie Chinese presence in Africa to Africa's own underdevelopment and poverty. Here, it is the failure of Western free-market approach under the Washington Consensus to assuage Africa's development challenges and reduce poverty that creates the enabling environment for China to offer a more state-controlled public investment-oriented approach. For others, China's own insatiable desire for Africa's natural resources to fuel China's domestic need underpins

<sup>&</sup>lt;sup>8</sup> The Millennium Challenge Account is a US bilateral foreign policy instrument established in 2004 to provide funding to eligible countries who adhere to certain independent and transparent policy indicators revolving around democratic governance.

<sup>&</sup>lt;sup>9</sup> China Global Television Network interview with Robert Mugabe, December 6, 2015: [Accessed 21/02/2020]

Chinese presence on the continent. Here, Chinese 'rogue aid' and its South-South cooperation rhetoric is a form of 'soft power' used to cajole African leaders into accepting Chinese deals over that of the Western world.

Overall, the Western overseas development assistance approach in Africa conditioned on reforms promotes sustainable development through greater political empowerment and greater emphasis on environmental sustainability. Its emphasis, however, on free-market reforms as depicted through wholesale implementations of Structural Adjustment Programs escalated poverty by limiting public support for pro-poor programs. The Chinese Africa strategy based on its non-interference principle is detrimental to sustainable development as it often disregards issues on good governance and environmental protection. Its emphasis, however, on quality of life and public investment in pro-poor infrastructure could alleviate poverty on the continent.

For African leaders, however, China constitutes an important economic partner who provides a countervailing force and alternative funding source that allows them to escape unfavourable terms and dictates of Western financial institutions. A strong African civil society is necessary to monitor Chinese interests on the continent and African governments to ensure that they do not settle on investments that will undermine the long term economic, environmental, and socio-political foundations of sustainable development.

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