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Editorial

Dear Reader,

Welcome to the new look version of African East-Asian Affairs, The China Monitor. As you can see, we have moved towards a generic cover page. While this means that we 'lose' the nice cover images, it also illustrates our move towards a more professional and more academic journal-type publication that we aspire to provide with the African East-Asian Affairs.

Ultimately, we aspire to develop the journal further to provide a platform for academic discussion on China, its global role and, more specifically, China-African relations from the African continent. China has become a major partner of many African states and therefore its internal developments and policies towards African countries is of major importance. One of the key developments in recent years was the mutual interaction and direct engagement between Africa and China; this is a precondition for mutual understanding. From an African perspective, one can be fascinated by China's rise or be a critic of Chinese business and other engagement - whatever the perspective, China is and will remain relevant for the African continent.

This relationship is not an exclusive engagement, neither for China nor for Africa. There are obviously numerous other interested parties who we also encourage to contribute to our publication. While we do like to stimulate debate, our major aim is a balanced and in-depth picture of China, fundamentally rooted in academic standards and analysis.

We are convinced that the increased interest in China and its relations with Africa merits this new quarterly publication. We will want to offer a range of topics, but might also have thematic issues in the future. If you want to contribute, please send an abstract or your full article (with Harvard citation style, please) to us and we will get in touch.

Dr Sven Grimm,
Director of the Centre for Chinese Studies
Stellenbosch, August 2012

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The views expressed in the articles are generally those of the authors and not necessarily those of the Centre for Chinese Studies.

China and small-island developing states

By **Richard L. Bernal***

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*The views are those of the author and not those of the Inter-American Development Bank.

Introduction

China in recent years has dramatically increased its economic involvement with the global economy and expanded and consolidated its diplomatic and political ties across the world. China's actions are prompted by an amalgam of economic, political and security motives. This escalation and intensification of engagement is to be expected from an emerging superpower like China. The country's expanding reach has encompassed relations with small island developing states (SIDS), which some find to be an enigma given their apparently marginal if not irrelevant significance to a global superpower. For many developed countries and large developing countries, relations with small island developing states are an unavoidable inconvenience, which should entail minimal time and resources. Yet China has enhanced its relations with small island developing states and this is reflected in its increased

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development assistance, provision of technical assistance, expansion of trade and the embryonic deployment of foreign investment and execution of infrastructure and construction projects. The driving force behind China's engagement is its rivalry with Taiwan for diplomatic recognition.

Small Island Developing States

The United Nations recognizes fifty-one countries as small island developing states of which thirty-eight are members of the United Nations. All of them are shown in Table 1. There is no single formally accepted definition of a small island developing state because size is a relative concept. A variety of criteria has been applied singularly (for example, population) (Commonwealth Secretariat/World Bank Joint Taskforce on Small States; 2009, Commonwealth Secretariat; 1997) or in combination (Bernal; 1998) (for example, GDP, population and land area). The World Bank and Commonwealth Secretariat employ a population threshold of 1.5 million to designate small states but include larger countries such as Jamaica because they share many of the characteristics of smallness. The nomenclature of small island developing state encompasses countries that are not islands such as Belize and even some such as Guyana, which have relatively large land areas. Small island developing states have similar structural characteristics, including small size, high degree of openness, concentration on a few exports, narrow range of resources, remoteness and environmental vulnerability. These tiny countries vary in size, land area, per capita income and GDP, as shown in Table 2. SIDS as a category of country was recognized in the United Nations in 1994 by the

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Programme of Action for the Sustainable Development in SIDS
(Barbados Programme of Action). The UN subsequently established the
Office of the High Representative for the Least Developed Countries,
Landlocked Developing Countries and the Small Island Developing
States in 2001.

Table 1: Small Island Developing States

(UN Members)			
1	Antigua and Barbuda	20	Federated States of Micronesia
2	Bahamas	21	Mauritius
3	Bahrain	22	Nauru
4	Barbados	23	Palau
5	Belize	24	Papua New Guinea
6	Cape Verde	25	Samoa
7	Comoros	26	São Tomé and Principe
8	Cuba	27	Singapore
9	Dominica	28	St. Kitts and Nevis
10	Dominican Republic	29	St. Lucia
11	Fiji	30	St. Vincent and the Grenadines
12	Grenada	31	Seychelles
13	Guinea-Bissau	32	Solomon Islands
14	Guyana	33	Suriname
15	Haiti	34	Timor-Lesté

17	Kiribati	36	Trinidad and Tobago
18	Maldives	37	Tuvalu
19	Marshall Islands	38	Vanuatu

Source: *Alliance of Small Island Developing States (AOSIS)*

What differentiates small island developing states from other small countries with which they share similar economic features is their environmental vulnerability. SIDS, where much of the land area and/or population is below 10 meters above sea level, are coastal societies, because in some cases most of the population, economic activity, infrastructure and habitation is on the coast. The situation makes SIDS highly susceptible to natural disasters and climate change. "The very existence of low-lying atoll nations, such as Kiribati, Maldives, Marshall Islands, and Tuvulu, is threatened by climate change-induced sea-level." (SIDS; 2010)

Table 2: Size of Small and Island Development States* in 2010

	Population	Surface Area	Population Density	Gross National Income	Gross National Income per capita
	Thousands	Thousand sq. km	People per sq. km	$ millions	$
Antigua and Barbuda	89	0.4	199	939	10,610
Bahamas, the	346	13.9	34	6,973	20,410
Barbados	257	0.4	595	3,454	13,500
Belize	345	23.0	15	1,288	3,740

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Bhutan	708	38.4	18	1,361	1,920
Cape Verde	513	4.0	125	1,620	3,160
Comoros	675	1.9	354	550	820
Djibouti	879	23.2	37	1,105	1,280
Dominica	74	0.8	98	367	4,960
Fiji	854	18.3	46	3,085	3,610
Grenada	104	0.3	306	580	5,560
Guinea-Bissau	1,647	36.1	57	890	540
Guyana	761	215.0	4	2,491	3,270
Jamaica	2,712	11.0	249	12,892	4,750
Kiribati	100	0.8	121	200	2,010
Maldives	314	0.3	1,031	1,340	4,270
Marshall Islands	62	0.2	339	187	2,990
Mauritius	1,282	2.0	628	9,925	7,740
Micronesia, Fed. Sts.	111	0.7	158	300	2,700
Palau	21	0.5	44	133	6,460
Samoa	179	2.8	63	524	2,930
São Tomé & Príncipe	165	1.0	170	199	1,200

São Tomé & Príncipe	165	1.0	170	199	1,200
Seychelles	89	0.5	191	845	9,490
Solomon Islands	536	28.9	19	552	1,030
St. Kitts and Nevis	50	0.3	191	499	9,980
St. Lucia	174	0.6	282	865	4,970
St. Vincent and the Grenadines	109	0.4	280	530	4,850
Suriname	524	163.8	3	3,076	5,920
Timor-Leste	1,124	14.9	74	2,493	2,220
Tonga	104	0.8	144	353	3,380
Trinidad and Tobago	1,344	5.1	261	20,664	15,380
Tuvalu	10	0.0	327	36	3,700
Vanuatu	240	12.2	19	662	2,760

Source: *World Bank.*   *Does not include data on Cuba.*

China's relations with SIDS

China's relationship with small island developing states and its recent deepening of the relationship derives from a mix of motives:

1.   Political Influence

(a) Politically a small developing state can be important even to a superpower because of its strategic location, such as Panama, or for its support in international forums. Small island developing states have votes in the United Nations (UN) and other international organizations, and as such, can be useful allies. Thirty-seven small island developing states make up twenty-five percent of the membership of the UN. In addition, sometimes representatives of small island developing states are elected to important chairmanships; for example, Jamaica has chaired the Security Council of the UN on two occasions, as well as the G-77 and Non-Aligned Movement, and St. Lucia has held the presidency of the UN General Assembly.

(b) The primary force driving China's engagement with small island developing states is the unresolved dispute over the status of Taiwan and its diplomatic recognition by several SIDS (Chin; 2008, Bernal; 2010a, Fifita & Hanson; 2011). Of the twenty-three countries that still recognize Taiwan, nineteen of them are SIDS. Twelve of these are in Central America and the Caribbean: Belize (1989), Dominican Republic (1957), El Salvador (1961), Grenada (1985-1989, 2005), Guatemala (1960), Haiti (1956), Honduras (1965), Nicaragua (1962-1985, 1990), Panama (1954), Saint Kitts and Nevis (1983), St. Lucia (1984-1997, 2007), and Saint Vincent and the Grenadines (1981). Six are in Oceania: Kiribati (2003), Marshall Islands (1998), Nauru (1980-2002, 2005), Palau (1999)

and Solomon Islands (1983) and Tuvalu (1979). Sao Tome and Principe (1997) is the only country of this grouping in Africa that still recognizes Taiwan.

(c) The main instrument of political influence in the SIDS and other small developing states that both China and Taiwan employ is development assistance. Both countries use aid to maintain diplomatic allegiance and to preempt a small developing state's switching[1] of allegiance, a practice described as "checkbook diplomacy[2]." Both China and Taiwan have been accused of going beyond the provision or promise of aid to interfering in international political affairs by making financial contributions to political parties favorably disposed to one or other of them in St. Lucia[3] and Barbados (BBC News; 2008). Some SIDS governments have opportunistically sought to take advantage of the rivalry by having China and Taiwan compete for their diplomatic recognition. Such changes in allegiance can be very lucrative for the government of a small island developing state. When Dominica switched its diplomatic recognition from Taiwan to China, it benefited from the construction of a $17-million cricket stadium and a promise of $122 million in economic assistance (Fieser; 2011, Sanders; 2011, Dominica Central; 2010). Some SIDS governments, for example, St. Lucia, Grenada and Nauru, have switched allegiance to capitalize on a better offer. In July 2002 Nauru switched its diplomatic recognition from Taiwan to China after a relationship of 22 years. Taiwan severed diplomatic ties. China agreed to provide $150 million in aid. In February 2005 Nauru restored diplomatic relations with Taiwan, and China shortly thereafter broke off relations. There have been allegations that both China and Taiwan were involved in making political contributions and payments to government ministers (Dorling; 2011).

Some governments have changed their diplomatic allegiances in an opportunistic maneuver to extract more aid from either China or Taiwan. This has been accomplished on several occasions, but there are consequences to switching diplomatic allegiances. The loss of diplomatic recognition may prompt the donor country to be less accommodating and even antagonistic. Taiwan, for instance, decided to insist on Grenada's repaying a loan it had not been servicing, and to enforce its claim, instituted punitive actions. Had diplomatic recognition not been withdrawn, it is very likely that Taiwan would have renegotiated the payment schedule; instead it allowed its state-owned Export-Import Bank to pursue actions to recover the debt. The director-general of the Department of Central and South American Affairs, Wu Chin-mu, explained that Grenada was not considered for a renegotiation of its debt of $28 million because the country was not a "diplomatic ally" (*Barnacle Grenada*; 2011). Taiwan was unsympathetic to pleas for lenience in which the government of Grenada claimed it was unable to pay the debt because of the economic damage Hurricane Ivan caused in 2004, the drop in tourism following the Sept. 11, 2001, terrorist attacks and the global economic crisis. Spokespersons for the government of Grenada stated to the media that Taiwan refused to renegotiate the loans because Grenada had severed diplomatic relations in favor of the People's Republic of China.

2. Economic Expansion

Although trade between China and small island developing states is infinitesimal and therefore economic motives remain secondary to political and diplomatic goals, there may be several reasons for

economic interest:

(a) The enormous Chinese economy is an aggregation of businesses of different size, sophistication and ownership, and while the huge multinational corporations and state enterprises may spurn the scale of opportunities in SIDS, there are significant and appropriate opportunities for many relatively small firms. After all, business is business no matter how seemingly insignificant the opportunity. And although not great, in recent times, the expansion of exports has been steady with encouraging prospects for the future, possibly into technical and scientific sectors. To date the export of services has been almost entirely in construction, Some of these projects are surprisingly large for countries the size of SIDS. The Baha Mar tourist resort on the tiny island of New Providence in the Bahamas entails the construction of a 3,800-room resort (Ellis; 2012).

(b) As export markets, the small island developing states would be of no interest to an economy the size of China, but are of interest if they are sources of scarce raw materials. There is bauxite in Jamaica and Guyana, energy in Trinidad and Tobago, and fish stocks and offshore oil deposits in such small developing states as Belize. SIDS may also have high-end products or brands that could be exported to China. The rapidly growing middle class in China is exhibiting a taste for internationally renowned brands, which creates the possibility of importing such Caribbean brands as Jamaica Blue Mountain coffee (Collinder; 2009) and such world-famous rums of the Caribbean as Mount Gay of Barbados, Appleton of Jamaica and Angostura of Trinidad and Tobago.

(c) China has increasingly become a source of external financing, which

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is evident in its increasing willingness to employ loans to secure construction contracts for infrastructure and buildings. For instance, China has financed the construction of hotels in the Bahamas and the Dominican Republic. For some SIDS the inflow of development financing from China or Taiwan has become almost indispensable, and these countries make a calculation of who will provide more aid. The countries that have chosen to recognize Taiwan have done so for pecuniary reasons, not ideological ones. Dr. Douglas, Prime Minister of St. Kitts and Nevis, explains: "We took an informed position that we would prefer to support Taiwan because Taiwan at the moment can bring the greater support in the advancing of the economic, social and political development of the people" (CUOPM; 2011). Prime Minister Gonzales of St. Vincent has expressed a similar rationalization to justify diplomatic ties with Taiwan (*Jamaica Observer*; 2011a).

(d) To date there has been very limited direct foreign investment emanating from China, but there are opportunities in tourism. Chinese firms are showing interest in a variety of sectors, including agriculture, where the attractions of economies of scale in countries like Brazil appear to preclude the limited size of operations in small island developing states. A Chinese firm has invested in cane cultivation and sugar production in Jamaica (Jamaica Observer; 2011, Jamaican Information Service; 2010) with the intention of exporting to China and world markets.

(e) The demand from the national markets of small island developing states may be limited, but these national markets could, under certain circumstances, be production platforms for exports to major national and

global markets. For example, the small island developing states of the 15-nation Caribbean Community and Common Market (CARICOM) could become entry points to the United States, Canada and the European Union (EU) because of preferential trade arrangements. These include the Caribbean Basin Economic Recovery Act (CBERA), CARIBCAN and the EU-CARIFORUM Economic Partnership Agreement with the EU. Central America and the Dominican Republic have access to the US through the Central American Free Trade Agreement. Costa Rica and China have concluded a free trade agreement (FTA), and although the Costa Rican market is very small (*China Briefing*; 2012), the agreement could become a template for Chinese FTAs with other SIDS. The FTA between China and Costa Rica, which came into effect in August 2011, provides for 60 percent of the two countries' products to enter each other's market duty-free immediately. Another 30 percent of products will be liberalized over periods between five to 15 years. The FTA is anticipated to boost a trading relationship in which China is already Costa Rica's second-largest export market (ibid.).

3. Global reach of a superpower

As a superpower, China wants to have a presence in all regions of the globe, and this disposition is the rationale for a foreign policy that encompasses relations with all countries regardless of size and remoteness. Hence even small island developing states have a place in China's foreign policy. Some small island developing states may be of security interest to China depending on their location and the deployment of US naval and armed forces and the location of US bases. Such is the case in the Pacific, where the US and China have differences

in what is regarded by both as a vital and contested sphere of influence. However, the SIDS of the Caribbean are not in a region where China, as an aspect of its national security policy, feels it must confront the United States physically. The political significance of some SIDS derives from the unresolved contention with Taiwan as opportunistic governments openly barter their political recognition for development assistance. China is willing to expend the resources necessary to try to eliminate Taiwan's claim to sovereign status, as well as the embarrassing and ludicrous anomaly of Taiwan still being recognized as the government of mainland China. Retaining and expanding support among the SIDS involves funds, aid in kind and technical assistance, which China can easily afford.

Reciprocal Interest

Some governments in small island developing states are anxious to cultivate and consolidate relations with Beijing as they take cognizance of China's increasing influence in global affairs. Because of their acute vulnerability (Briguglio; 1995, Atkins et al; 2001) SIDS will be well aware of the shifting of the center of gravity of the global economy to Asia, with China as the core. They will want to position themselves to benefit from new export opportunities, increased development assistance and access to loans, and to garner a share of the escalation of foreign investment.

External financing has become particularly important to SIDS' ability to endure the deleterious effects of the global economic crisis and the decline in development assistance to developing countries[4] of all types. US aid to the small island developing states of the Caribbean amounted

to $458.9 million in 1985, dropping to $136.3 million in 1998 and recovering to $317.3 million in 2006, but with Haiti alone receiving 50 to 60 percent of the total (Bernal; 2001, Veillette et al; 2007). The need for non-traditional sources of external financing is especially critical for those middle-income SIDS that are heavily indebted (Hurley; 2010) with concomitant fiscal difficulties (Cas & Ota; 2008, Sahay; 2005) and that are being – or have been – pushed toward graduation[5] from the more concessionary development assistance facilities in international financial institutions and bilateral donor sources. In 2009 there were 14 SIDS with public debt/GDP ratios of over 60 percent, and another eight SIDS with debt/GDP ratios that exceed 10 percent. The public debt of St. Kitts and Nevis in 2010 was almost 200 percent of GDP (Hurley; 2010: 4).

Given the limited voice of small island developing states in international institutions (Bernal; 2011), they will need the active support of China to support of their goals and issues; for example, the demand for Special Differential Treatment in the World Trade Organization (Bernal; 2005, Von Tigerstrom; 2005). SIDS' acute economic vulnerability is compounded by their environmental fragility[6] and proneness to natural disasters. In this regard, SIDS will want to encourage China's sympathetic awareness of their vulnerability to such imminent environmental threats as global warming. The leadership of small island developing states will increasingly look toward China to articulate and defend their concerns in international forums as China more comprehensively asserts itself in global economic governance. Such a role will not be new to China as in the past it supported the concept of exclusive economic zones, which is vital to the SIDS of the Pacific (Yang; 2011).

Changing dynamics of China's Foreign Policy modalities

The rationale that informs China's policy toward SIDS derives from the belief common to superpowers and several developed countries that they must be deployed diplomatically everywhere because their interests are wide-ranging. This outlook is also informed by the sense of the need to compete with the United States across the globe so as not to be at a disadvantage in economic or political positioning. The need for a presence everywhere is based on perceptions of both actual and potential interests. If you are not there, you cannot compete if and when there are new opportunities and unexpected developments (for example, changes of regime, the discovery of offshore oil deposits and the decision to purchase arms). The motivations behind the growing Chinese presence in SIDS will become more varied in the future as China becomes more integrated into the world economy and its trade and financial relations multiply and become more diverse. New issues that engage the United States and the European Union will inevitably become part of China's agenda in its role as a superpower; for example, providing troops for humanitarian and peace-keeping missions. China has provided troops for a humanitarian mission in Haiti[7] and its naval vessels have visited sever-al SIDS[8].

The modalities of China's foreign policy outreach to small island developing states could change in the future. One important factor is that relations between China and Taiwan have become less antagonistic, a consequence of their increasing economic integration and less-combative approaches of their respective leaderships. An unwritten informal truce has existed between Beijing and Taipei since 2008, when Ma Ying-Jeou

was elected president of Taiwan, whereby both parties refrain from inducing countries to switch their diplomatic allegiances. Rosen and Wang explain: "In terms of trade flows, direct investment and portfolio investment and flows of people, cross-strait economic fundamentals are changing profoundly every day. In terms of Taiwan's export dependence on China, and final consumption in China as a share of these exports, the fundamentals are changing as well. The gap in technological capabilities between Taiwan and China is narrowing rapidly. Public sentiment regarding the importance of economic interests and the importance of transcending the past tensions also demonstrate significant changes" (Rosen & Wang; 2011).

The declining importance of the China-Taiwan rivalry for diplomatic recognition could have serious repercussions for China's foreign policy toward SIDS in two respects. First, the decrease in tension with Taiwan could prompt China to considerably reduce its grants and development loans to SIDS, which could pose severe hardships for the SIDS involved, given that there is likely to be a concomitant reduction in aid from Taiwan. Second, China could switch the form of resource transfers from grants to development loans, which would raise external debt levels and require debt repayment. The indebtedness would provide significant leverage for China. Some SIDS would find either option, or a combination of both, very onerous Tonga's debt to China in 2009 was already the equivalent of 32 percent of GDP, and the debt of the Cook Islands and Samoa to China was 16 percent of GDP (Fifita & Hanson; 2011).

China has become an important source of development financing for governments in SIDS. This financial nexus started with grants and contributions in kind as a prelude to low-interest development loans. The financial link is likely to strengthen and as indebtedness mounts will become an influential means of leverage for China. This is a reversal of China's position of leverage from the enticement of what it can do for a government in the future to that of being able to exert pressure based on what it has already done for that country. The fallout over Grenada's unpaid debt to Taiwan is an omen for the future. A new aspect could be that SIDS governments borrow by selling government paper to China, as has happened in Costa Rica. The government or the Central Bank of China could purchase bonds issued by governments in the Caribbean. This is new but not unprecedented, as China agreed to buy $300 million in 12-year bonds at two percent from the government of Costa Rica as part of a deal for switching its diplomatic allegiance from Taiwan to the People's Republic of China (Bowley; 2008).

China has stated its willingness to afford debt cancelation to countries in Africa that are poor and are diplomatic allies (*The Jakarta Globe*; 2009). It has canceled Guyana's debt (*Jamaica Gleaner*; 2007), but that was related to its HIPC and least-developed status. This does not mean that SIDS should assume that they will be granted debt forgiveness, especially those that are middle income.

Foreign investment from China is likely to emerge as a new potentially dynamic avenue of external financial flows to SIDS. In 2008 foreign direct investment (FDI) from China amounted to $56 billion (PRC MoC; 2010). The best prospects are in tourism, where it cannot be long before

Chinese companies own and operate hotels in SIDS where tourism is the dominant economic activity; for example, receipts from tourism account for 49.8 percent of GDP in the Maldives and 86 percent of total export earnings in Antigua and Barbuda (WTO; 2004). China is expected to become the world's fourth-largest source of tourists by 2020, generating 100 million outbound tourists each year, according to the World Tourism Organization (WTO; 2006). The opportunity for tourist arrivals from China is visualized by small island developing states, which now have to promote effective marketing campaigns in China. While most SIDS possess few land-based resources to interest Chinese firms, the seafood stock (Powles; 2010) (for example, lobster catching and export from Antigua by Chinese companies) and undersea resources, especially oil and natural gas, are of interest,. There are also other opportunities; for example the Chinese company Bosai Minerals Group purchased a controlling stake of 70 percent in Omai Bauxite Mining, Inc. in Linden, Guyana, in December 2006 for $100 million (*Mining Top News*; 2006). Some investment opportunities are based more on location than on size of country, as demonstrated by a $2.6 billion port facility in Freeport, Bahamas, that was built and has been operated since 2000 by the Hong Kong–owned Hutchison Whampoa (Collins; 2001). Complant International, the foreign investment agency of the People's Republic of China, has purchased three sugar factories and leases of 30,000 hectares of cane-growing lands from the government of Jamaica. Complant will invest $156 million in improvements in fields and factories over a four-year period (Douglas; 2011).

An intriguing future possibility is the expanded use of financial centers in the small island developing states by Chinese entities as they spread

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their foreign investments globally. There have been increasing financial holdings in the Bahamas and the Cayman Islands, but these should not be interpreted as direct foreign investment in these countries. Sunderland and Matthews (2009) suggest that these funds are in the process of "round tripping" and therefore headed back to China as foreign investment.

China has gained much goodwill from financing and constructing major public infrastructure projects and buildings, but some resentment from local trade unions, construction workers, civil engineers and architects has arisen regarding the employment of Chinese workers. This sensitivity has been evident in the Bahamas, Jamaica, Trinidad, Barbados (Wilkinson; 2012) and Fiji (Blogspot; 2012). Another issue has been that some of the Chinese workers do not leave on completion of the projects on which they were employed. This has occurred in Antigua and Barbuda, Dominica, Guyana and Suriname. They are able to access concessionary financing from the Chinese government through state-owned banks and/or use their accumulated earnings to establish small businesses (*African Globe*; 2012) or buy local businesses. Such infiltration may be made where there are citizens of Chinese origin. Neither the governments of China nor the SIDS has an incentive to prevent this potential social friction since the former can easily lose workers and the latter are hesitant to offend their benefactor, as in the case of the vital dam in Fiji (Dornan; 2012). The US government is concerned about Chinese workers entering the United States from the Bahamas rather than staying in the Bahamas or returning to China (Dean; 2011).

Conclusion

Relations with small island developing states are generally not important to large developed countries and even less important to global powers, unless the developing state is perceived to be in a strategic location from a military perspective. China, however, devotes significant attention to small island developing states, providing development assistance that, while small for China, has assumed considerable importance in these countries. The driving force behind China's engagement is the rivalry with Taiwan for diplomatic recognition by these small states. Small island developing states have a voice and have voted in international and regional organizations such as the United Nations and the World Health Organization. Of particular importance is the fact that most of the countries that grant diplomatic recognition to Taiwan instead of China are small island developing states. The SIDS that recognize China see the benefits in what for them is generous and vital development assistance, as well as have as an ally a superpower with some interest in and a willingness to defend their respective issues and concerns.

Whether China's particular interest in small island developing states continues and for how long depends on the intensity of the rivalry with Taiwan for diplomatic recognition. To the extent that there is an abatement of the rivalry or agreed truce between China and Taiwan, the importance of SIDS in China's foreign policy could wane, along with the development assistance to these countries. Such a contraction in Chinese aid would be a very serious loss to governments in several small island developing states. It is likely that, as a precaution, China would continue some level of aid, even if reduced, to SIDS in order to maintain

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the exclusion or prevent the reentry of Taiwan as a competitor for diplomatic recognition.

The relationship between China and small island developing states is dominated by development assistance that reflects the primacy of political motives; the relationship exists also because to date the potential for trade, direct foreign investment and tourism remains underdeveloped or undeveloped. The SIDS should be doing more to export to China, encourage Chinese foreign investment and promote tourism emanating from China.

End Notes

[1] This occurred after the 2006 coup when "China pledged large amounts of aid to Fiji in a bid to pre-empt Fiji making a switch to diplomatically recognizing Taiwan." See Mary Fifita and Fergus Hanson, "China in the Pacific: The New Banker in Town," *Pacific Forum CSIS, Issues & Insights,* Vol. 11, No. 5, April 2011, p. 4.

[2] Use of grants and loans by a country to influence the policy of the recipient country. Disingenuously Taiwan has denied the use of checkbook diplomacy after the "truce" despite the donation of a jet plane to the government of Panama. Government <u>denies</u> **"**dollar <u>diplomacy,"</u> *Taipei Times*. <u>www.taipeitimes.com/News/front/archives/2009/12/.../2003462118</u>. Accessed June 26, 2012.

[3] Taiwanese diplomat Tom Chou has been accused by the ruling St. Lucia Labour Party (SLP) of engaging in the internal politics of the country by channeling funds directly to government ministers and municipal bodies instead of through the central government accounts known as the Consolidated Fund. <u>http://cananewsonline.com/news/full-news/politics-news/80558-st-lucia-politics</u> <u>-opposition-praises-outgoing-controversial-taiwanese-diplomat.html.</u> Accessed

June 28, 2012.

[4] In 2011, members of the Development Assistance Committee (DAC) of the OECD provided USD 133.5 billion of net official development assistance (ODA), representing 0.31 percent of their combined gross national income (GNI). This was a -2.7 % drop in real terms compared to 2010. See "Development Aid to developing countries falls because of global recession," www.oecd.org/.../0,3746,en_21571361_44315115_50058883_1_1_...CachedYou +1'd this publicly. UndoApr 4, 2012. Accessed June 26, 2012.

[5] There has been a push to exclude some small island developing states with high income per capita from grants and the most concessionary development assistance loan facilities. The view is gaining support in the European Union that Caribbean countries (all of which are SIDS) except Haiti should be graduated from development assistance. See David Jessop, "Bilateral Relations are the Present and the Future," *Jamaica Gleaner,* June 24, 2012.

[6] The environmental challenges that face small island developing states were recognized as an issue in urgent need of attention as long ago as 1994. In that year the United Nations hosted the Global Conference on the Sustainable Development of Small Island Developing States in Barbados, which formulated a Programme of Action for the Sustainable Development in SIDS (Barbados Programme of Action). This was followed in 2005 by the Mauritius Strategy on the Further Implementation of the Barbados Programme of Action. See United Nations, Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of SIDS, 2005: http://www.un.org/smallislands2005/

[7] It has been suggested that "China seeks to use its troop contribution and UN Security Council veto as an instrument to pry Haiti away from Taiwan's grasp." Daniel P. Erickson and Janice Chen, "China, Taiwan, and the Battle for Latin America," *The Fletcher Forum of World Affairs,* Vol. 31, No. 2, summer 2007, p. 85.

[8] China is engaged in an outreach to the military in Latin America. See R. Evan

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Imperial Ethiopia's relations with Maoist China

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Introduction

In 1971 Emperor Haile Selassie of Ethiopia told Chairman Mao Zedong of the People's Republic of China:

> It has been my long-cherished desire to visit this great land, which has given birth to man's most enduring civilization. I am very happy that this desire has been fulfilled today and I am now able to exchange views with the dedicated leaders of the new China. (cit. by Daddi; 2009: 80)

Haile Selassie's statement was perhaps diplomatic nicety more than anything else for his actions suggested that he was more interested in forging relationship with the United States, which has much shorter history, but was a rising major power, than with China, a heir to "man's most enduring civilization," but an entity which was seemingly in a state of turmoil in much of the modern period. How would we otherwise explain why Haile Selassie, having arrived at Ethiopia's political scene in 1916, had to wait for nearly half a century to fulfill his "desire" of visiting China? There are at least two reasons for Haile Selassie's lack of enthusiasm to visit China before 1971—one is historical and the other

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ideological.

It should be said from the outset that Ethiopia's serious interest in Asia beyond the Middle East dates back only to the 1920s, and the country which captured Ethiopia's attention in [East] Asia was Japan rather than China. Historically, on the one hand, Ethiopia's rulers perceived Japan to be somewhat similar to Ethiopia in its long-reigning dynastic monarchy and in its military victory over a major European power. Haile Selassie also saw himself as the 126th Solomonic ruler, which made it sensible for him to try to forge relationship with Japan's imperial dynasty—the oldest in the world[2] (Clarke; 2011: 10). It is a matter of historical record, too, that Ethiopia and Japan became victorious, respectively, over Italy in 1896 and over Russia in 1904-05. Japan was also viewed by Ethiopia's rulers as a potential model for Ethiopia's modernization[3] (Clarke; 2001: 2; Quirin: 2007). Japan's dramatic and rapid metamorphosis from a feudal society like Ethiopia's into an industrial power by the end of the 19th century attracted Ethiopians (Clarke; 2011: 7). Indeed Ethiopian leaders in the early 20th century saw their country as Tokugawa Japan. The 1931 constitution of Imperial Ethiopia was consciously modeled after the 1889 constitution of Meiji Japan[5] (Clarke; 2011: 172-173). Further, Emperor Hirohito of Japan was one of the foreign dignitaries who had been invited in 1930 to come to Ethiopia and attend Haile Selassie's coronation as Emperor of Ethiopia[4]. Although Emperor Hirohito did not make history by coming to Ethiopia for the "grand" event[5] (Clarke; 2011: 35), Emperor Haile Selassie did later become the first African head of state to visit postwar Japan in 1956.

On the other hand, Ethiopia's rulers *perceived* far fewer historical similarities between the ruling institution in China and Ethiopia. China, too, has a long history, of course. But Haile Selassie believed that there was not much which Ethiopia could learn from China in its pursuit of modernization. What loomed large in the eyes of Ethiopia's imperial elite was the fact that China itself was a victim of conquest and domination by other powers and was in a state of turmoil for much of what is generally known as the modern period[6].

It was ironic, therefore, that when Zhou Enlai visited Eritrea in 1964, he would relate to his host, the Emperor of Ethiopia, about the similarity of the historical experiences of China and Ethiopia. He reminded the Emperor that when Ethiopia was resisting Italian invasion in the 1930s, China was fighting the Japanese in Manchuria. It would be recalled that, back in 1937, Mao Zedong himself had also told his compatriots to learn from Ethiopia's experience of fighting and resisting foreign invaders[7] (Daddi; 2009: 52) What Mao had not realized or chose to ignore was around the so-called the Manchurian Incident in the autumn of 1931, Ethiopia's Foreign Minister Heruy Wolde Sellase was fraternizing with the Japanese Imperial family, including Emperor Hirohito himself, as well as with Japan's new Prime Minister at the time Inukai Tsyuoshi[8]. It will be also recalled that Japan withdrew from the League of Nations in 1933 when the League denounced its incursion into Manchuria, declaring that Manchuria is part of China.

There was some fascination with Ethiopia among Chinese scholars at least in the opening decades of the 20th century. The first book by Chinese scholars about Africa was on Ethiopia. But the first book about East

Asia written by an Ethiopian was on Japan[9]. Authors of that Chinese book pointed out what China and Ethiopia had in common: "…both were ancient civilizations, both had a political organization undergoing a transformation from a feudal to a modern system, both suffered from capitalist invasion and the decline of handicraft industries, and both were victims of imperialism." (Anshan; 2005: 62)

Ethiopia and China were also far apart ideologically, a situation which erected extra-barrier for bilateral relations between the two countries. As it would be elaborated later in the essay, Ethiopia's attitude towards China in the 1960s reflected partly the Western orientation of the Imperial regime. We should bear in mind that Ethiopia had also sent military contingents in 1951 to the Korean War—the only conflict involving direct hostilities between the United States and China. Ethiopia was the only non-NATO member to do so. A case may be made in passing that the reason why Ethiopia sent troops to Korea had at least as much to do with its commitment to the principle of collective security as it had to do with its close friendship with the US. Ethiopia is one of the founding members of the UN in 1945; Ethiopia is also the first and only country whose head of state had addressed the League of Nations (in 1936). But Ethiopia's direct participation in the Korean War along-side the US did not further advance Sino-Ethiopian relations.

The fact that China established diplomatic relations with Egypt first, and not with Ethiopia, was a symptom more than an effect of the cold relationship which prevailed between Communist China and Imperial Ethiopia. It is not hard to understand, however, the logic of why China chose to do so. From China's perspective there were both pull and push

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factors. China had specific interest in relations with Egypt for historical reasons. Being itself heir to one of the world's most remarkable civilizations, China sought to launch its African diplomacy by establishing relations with Egypt, another country with a similar heritage. Unlike Emperor Haile Selassie, Gamal Abdel Nasser, the leader of Egypt, was also in Bandung in 1955 where he met with China's Prime Minister Zhou Enlai, laying the foundation for launching bilateral diplomatic relations the following year[10]. Haile Selassie was not an admirer of Egypt's Nasser and his ideology, and, in fact, he saw Egyptian rulers as historical adversaries[11]. The factors which sustained this sense of unfriendliness between Egypt and Ethiopia are too complex to be explored here fully, but suffice it to say that they also include the Nile River, Egypt's positions on Eritrea, on Somalia's territorial claim over Ethiopia and on matters relating to religious minorities in both countries—the Coptic Christians in Egypt and Muslims in Ethiopia[12].

Above all, however, it was the fact that Ethiopia was too close to the United States, as indicated above, which prevented closer Sino-Ethiopian relations during the imperial period. It is in the context of Ethio-American relations, therefore, which we can make better sense of the trajectory of Sino-Ethiopian relations in the period under discussion.

Ethiopia and the US

The attitude of America's leaders and many contemporary Americans toward Emperor Haile Selassie reflected elements of both fascination and deference. The *New York Times* wrote in 1954 that the Ethiopian Emperor was "a man of courage, intelligence and great

humanity." (Vestal; 2011: 89) The same newspaper carried the full text of the Emperor's speech to the joint session of the US Congress. (Vestal; 2011: 89) Haile Selassie was named *Time*'s man of the year twice—in 1930 and 1936. American presidents who had known Haile Selassie, too, and many of them had indeed known him or about him, were quite generous in their praise for the African monarch.

At his first state visit to the US in 1954, Dwight Eisenhower described the Emperor as "a defender of freedom and a supporter of progress." (Vestal; 2011: 53) It was a measure of Haile Selassie's weight in the eyes of America's political class that he was the only African leader to be invited to attend the funeral of President John F. Kennedy. In 1963 President Lyndon Johnson told the Emperor that he looked to him for advice and counsel (Vestal; 2011: 134). President Nixon honored the Emperor by inviting him to the US as the first foreign leader to visit the White House after he was elected president[13].

Based on available evidence the following generalizations can be made about the attitudes of America's presidents toward Emperor Haile Selassie. Franklin Roosevelt barely knew Emperor Haile Selassie even though the two had met aboard *USS Quincy* off the coast of Egypt in February 1945 when the former was returning from his meeting at Yalta with Joseph Stalin and Winston Churchill[14].

Harry Truman ignored Haile Selassie perhaps partly because the relationship between the US and Ethiopia was perceived to be both rudimentary and stable at the time. As the first Cold War president of the US, President Truman's major concern was also apparently the emerging

challenge from the Soviet Union. Dwight Eisenhower respected Haile Selassie and was appreciative of his decision to send Ethiopian troops to fight alongside Americans in Korea.

John F. Kennedy was intrigued by Haile Selassie. Lyndon Johnson who had known the Emperor since his years in the US congress cared less about him, preoccupied, perhaps, as he was with Vietnam and domestic political issues. Richard Nixon was most favorable in his attitude toward Haile Selassie and that attitude had also perhaps in part to do with the royal reception he was treated to when he visited Ethiopia first as the US vice president and, later, as a private citizen. At a state dinner in honor of Emperor Haile Selassie in 1969, Nixon had said:

> I had the great privilege, which some in this room have enjoyed, of visiting his country in 1957. My wife and I were received as royal guests at that time and treated royally. I returned again to his country in 1967, holding no office, having no portfolio whatever. I was received again as a royal guest and treated royally. This is a man with an understanding heart.[15]

As far as Haile Selassie's own attitudes toward America's presidents were concerned, it appears that he was respectful to Eisenhower, indifferent to Truman (whom he met possibly only once at the funeral ceremony for John F. Kennedy in November 1963), fond of Kennedy, puzzled by Johnson and disillusioned with Nixon.

It is also important to note that Haile Selassie had two public faces. At home he was master of palace intrigues, mischievous and unforgiving to his political opponents, but deeply committed to the modernization of his

kingdom. Internationally, he was a man who has successfully projected the self-image of seasoned diplomat, dedicated pan-Africanist and champion of black freedom. In the latter sense it can be argued, therefore, that Haile Selassie did pursue "soft power" with great sophistication nearly one hundred years before the concept entered political vocabulary.

Because of the power differentials between Ethiopia, a weak state in the global periphery, and the United States, a rising superpower at the time, such subjective factors had in any case played a role in Haile Selassie's relations with the United States. That is partly why Haile Selassie's diplomacy toward Mao's China could not be seen in separation from these subjective factors including Haile Selassie's ideology and his perception of Ethiopia's interests in rapidly changing international environments.

China and Ethiopia: Initial Encounters

It is said that about seven hundred years ago, when the Song Dynasty (960-1276) ruled China (the Middle Kingdom) and led the world in nautical technology, merchandise from China was brought to Ethiopia (Michel and Beuret, 2009: 65). A portion of this historical period in China also coincided with the heyday of the Axumite civilization in Ethiopia, when it participated in the maritime trading system that linked the Roman Empire and India. That was perhaps all there is to it about the extent of relationship between China and Ethiopia in the pre-modern period.

In the modern period, Ethiopia and China encountered one another first

at a battlefront, fighting on opposing sides, during the Korean War (1950 -53)[16]. Ethiopia was one of more than twenty countries that contributed troops to the US-led UN war effort in Korea[17]. But, unfortunately, the Korean War was not the only occasion when China and Ethiopia met at the battlefront. In the early 1960s, China and Ethiopia encountered each other in the Congo, again on opposite side of the conflict. Unlike the Korean War, however, China's intervention in the Congo was less direct[18].

Ethiopia and China also met in Bandung, Indonesia in April 1955. High-level Ethiopian and Chinese delegations met in Bandung during the Africa-Asia conference. Emperor Haile Selassie did not travel to Bandung, as the Conference took place less than a year after the Emperor returned from his first state visit to the US (May-July 1954), the highlights of which included his meeting with President Dwight D. Eisenhower.

The Emperor's first visit to North America (including Canada and Mexico) resulted in closer US-Ethiopian relations, with US agreeing to extend to Ethiopia economic and military assistance in return for the utilization of a military communication base in Eritrea. The two countries signed the Mutual Defense Assistance Agreement (MDAA) and Defense Installations Agreement (DIA)[19].

In Bandung, China's Premier Zhou Enlai met Endalkachew Mekonen, at the time a high-ranking official at Ethiopia's Ministry of Foreign Affairs, discussed bilateral relations and exchanged gifts. It was significant that the gift from the Chinese side was an artifact from the Han Dynasty (206

BC- 220 AD)— regarded as a period of relative peace and prosperity in China's long history.

Another significant encounter between Ethiopia and China occurred took place when Premier Zhou Enlai visited Ethiopia in 1964. But the visit was more than just an encounter since its peculiar features also highlighted Ethiopia's attempt to cope with the fast-changing geo-political realities in the region and around the world.

Zhou Enlai's 1964 Visit to Ethiopia

On January 30, 1964, Emperor Haile Selassie welcomed Chinese Prime Minister Zhou Enlai to Ethiopia or, more accurately, to Asmara, Eritrea. This visit was unusual for, among other things, how it came about, how it was conducted, where it took place and who masterminded it.

Ethiopia was not in the initial itinerary of the prime minister's visit when he left Beijing for the 10-country visit of Africa. The visit to Ethiopia was hurriedly arranged as the Chinese premier was already in the middle of his African tour. The original travel plan was to take him to, among other countries, Kenya, Uganda and Tanzania, but, then, a situation arose which was to prevent him from going to the three countries. A revolution erupted in Zanzibar and the East African army mutinied. In light of these events, Emperor Haile Selassie invited Zhou Enlai to come to Ethiopia. The invitation was quickly accepted.

It is one of the curious features of the visit that Haile Selassie decided to receive Zhou Enlai in Asmara rather than in Addis Ababa, the capital city of Ethiopia. One question which arises is: why Asmara, and not

Addis Ababa?

Coming as the visit does less than two years after Eritrea was absorbed into Ethiopia and became one of the 14 provinces in the country, it seemed, the Emperor sought to send a clear message to China that there was no place for its "subversive activities" in Eritrea. There were then already rumors that China was supporting the Eritrean Liberation Front (ELF), a newly-formed group which was challenging the Imperial regime militarily. The record, however, shows that China supplied arms to ELF only in 1968 (Lyons; 1978: 10). In any case it is still worthwhile to ponder whether the Emperor invited the Chinese leader in spite of the Eritrean issue or because it[20].

Another peculiar feature of the visit was that Premier Zhou Enlai was received at Asmara Airport by Prime Minister Aklilu Habte-Wold. Should the Emperor himself have gone to receive the Chinese leader personally? There are those who thought so anyhow. Ethiopia's protocol actually required that a visiting foreign leader be met by the Emperor himself at the airport upon his/her arrival[21].

The fact that Zhou Enlai's visit came hard on the heels of his announcement of the five principles of Sino-African relations made it even more awkward. This is so because one of these principles asserted: "China supports African and Arab states who realize their unification and unity in any way they choose" (He Wenping; 2007: 35). In letter and spirit, this principle was clearly designed to reflect the claim which was being made by the newly-independent Somalia over the territory Ethiopia calls the Ogaden[22]. As if these were all not awkward enough, the

Chinese delegation had to fly from Asmara, Eritrea directly to Mogadishu, the capital city of Somalia, where he also met with the commander of Somalia's national Army. It could be also recalled that in just less than a year prior to Zhou Enlai's visit to Somalia, Abdirashid Ali Shermarke, the first Prime Minister of Somalia visited People's Republic of China (Prybla; 964: 1138) .

The analysis thus far seems to suggest that the Emperor invited Premier Zhou Enlai in order to gently remind China that it is not welcome to intervene in the Horn of Africa. Such interpretation, of course, takes the stability of US-Ethiopian relations too much for granted. After his 1963 visit to the US, it was becoming clear to the Emperor that due to satellite technology, the US listening post in Eritrea was going to become less useful, reducing America's interest in Ethiopia. He had also learned first-hand during the visit that the new American President, Lyndon Johnson, was not the friendliest of US presidents toward him[23].

It is reasonable, therefore, to surmise that Haile Selassie decided to extend last-minute invitation to Zhou Enlai as a hedging strategy, given the uncertainties in the air about the future of Ethio-American relations, in order to leave for himself more than one option. This is a more plausible interpretation even if we should also allow for the possibility that the Emperor had made the case to China's Zhou Enlai in relation to Somalia's claim over what Ethiopia regards as its legitimate territory. In any case China's relationship both with the dissident groups in Eritrea and with the newly-independent Somalia deepened in the second half of the 1960s, further inhibiting stronger bilateral relations between Ethiopia and China. But wider geo-political considerations were making it

imperative for Ethiopia to improve its relations with the People's Republic of China.

Ethiopia and China's Admission to the UN

Unlike most of the newly independent nations of Africa, Ethiopia had been changing its positions vis-à-vis "one-China-policy." Ethiopia voted with US until 1958 against the admission of China into the UN, abstained between 1958 and 1960, and began to cast its vote in favor of China's membership after 1960. How do we account for this policy shifts on the part of Ethiopia? At least six factors are relevant.

Firstly, the shift represented a pre-emptive diplomacy in recognition of the impending independence of scores of African countries that would change the equation at the UN on the issue of China's membership. If China was supporting liberation movements in every part of Africa, as it indeed was, it was not hard to predict the future position of the soon-to-be independent African countries on this issue[24]. Emperor Haile Selassie did not want to be the odd man out in Africa.

With the the spirit of Bandung still in the air, secondly, Ethiopia also sought to position itself favorably to be able to play a greater role in the pan-Africanist movement. Given the contested nature of parts of its territories (Eritrea and Ogaden), much was at stake for Ethiopia.

The fact that Sino-Soviet split has come into being by 1960 was the third factor which motivated Ethiopia to support China's entry into the UN system. Ethiopia could now afford to be pro-China without being pro-Moscow. Fourthly, Ethiopia sought to view Taiwan as the renegade

province of China in the hope that China, too, would reciprocate in kind by viewing the contested territories of Eritrea and the Ogaden as an integral part of Ethiopia. But this was not to be the case subsequently as China continued to support the Eritrean dissidents for some time.

Fifthly, in the early 1960s Haile Selassie was already less inclined to follow the US uncritically as he was doing in the early 1950s. He did, of course, visit the US in 1963, just a few months after he orchestrated the creation of the Organization of African Unity (OAU) in Addis Ababa. The Emperor used the visit to plead for more economic and military assistance and expressed his concerns about reduced attention he was getting from Washington. He even told US officials that if he was not going to receive adequate military assistance, he would be forced to turn to the East[25].

With Eritrea now officially part of Ethiopia, finally, the Ethiopian Emperor might have also figured that he could seek further assistance from other sources to consolidate and legitimize his gains and that, for this purpose, the US was less indispensable in the 1960s than it was in the 1950s. Did the Emperor also feel less than pleased when the US offered to help Egypt build the Aswan dam in the late 1950s? That possibility, too, cannot be ruled out. But, above all, the Ethiopian monarch was beginning to realize that it is no good strategy for a variety of reasons to rely only on one superpower.

Ethiopia, United States and China

Ethiopia upgraded its diplomatic relations with the United States to ambassadorial level in 1949—the same year People's Republic of China

(PRC) was established. In the 1950s and 1960s Ethiopia was very close indeed to the US. In 1953, a year after Eritrea was "federated" with Ethiopia, US and Ethiopia signed a 25-year agreement which included the utilization of defense installation in Eritrea—the Kagnew Base. Ten years later, Emperor Haile Selassie annexed Eritrea completely, with the tacit approval of the US, and "re-unite" it with Ethiopia. In fact, the US approval was more than tacit. As early as in 1959 President Eisenhower was saying: "I would hate to see the Red Sea bottled up on both ends by people who might not necessarily be or remain our friends" (Vestal; 2011: 96).

China and Ethiopia established diplomatic relations in December 1970. The conditions were favorable on both sides for this diplomatic rapprochement to take place. In the aftermath of its disastrous experiments with the Great Leap Forward (1958-60) and the Cultural Revolution (1965-67), China was reassessing its diplomacy in Africa and other regions. The Sino-Soviet split was also well in place.

With the assumption of political power by a pro-Moscow group in Somalia in 1969 and in the face of the growing internal and external challenges to his regime, Haile Selassie, too, was carefully re-considering Ethiopia's relations with the West. The Emperor was already attempting to establish linkages with other large external powers, including the Soviet Union. It was, therefore, the convergence of interests of China and Ethiopia which set the stage for improved bilateral relations between the two countries.

In July 1971, President Nixon sent his Vice President (Spiro Agnew) to

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Ethiopia to inform the Emperor in advance that the US was going to recognize Peoples Republic of China[26]. Only three months later, Haile Selassie was in Beijing, visiting China. President Nixon also visited China in February 1972.

Upon his arrival in Beijing in October 1971, Haile Selassie was received by Premier Zhou Enlai. Later, the Ethiopian Emperor held talks with Chairman Mao and visited Shanghai and Guangzhou. It is important to note that throughout Haile Selassie's visit to China, Beijing described Sino-Ethiopian relations in the broader context of what it called the struggle against imperialism, colonialism, neocolonialism and racial discrimination. The Ethiopian Emperor returned from Beijing with 200 million RMB—the largest single loan agreement at the time between China and an African country after the Tanzania –Zambia Railway project.

Conclusion

We have demonstrated in this essay that Sino-Ethiopian relations in the Imperial period took place in the shadow of the changing vagaries of Ethio-American relations. In other words, changes in the US-Ethiopian relations had affected the trajectory of Sino-Ethiopian relations. We have also shown that in Asia beyond the Middle East Japan was the country which captured the interest of Ethiopia during the imperial period. Unlike Chinese and Japanese leaders, however, a few American presidents who had known Haile Selassie or about him were also somehow intrigued by the Ethiopian monarch. What President John F. Kennedy said about Haile Selassie was shared to different degrees by America's presidents at least from Dwight Eisenhower to Richard

Nixon. President Kennedy said:

> "There is no comparable figure in the world today who held high responsibilities in the 1930s, who occupied and held the attention and the imagination of really almost all free countries in the mid 1930s, and still could, in the summer of 1963, in his own capital dominate the affairs of his continent…" (cit. by Vestal; 2009: 138)

Could we attribute JFK's special fascination with Emperor Haile Selassie, at least in part, to the monarch's political longevity? This is a defensible proposition for, after all, JFK was not even born when Haile Selassie emerged as a ruler in the Ethiopian political scene in 1916.

Chairman Mao and Emperor Haile Selassie belonged to the same generation of leaders. Both octogenarians left the world scene also at about the same time. Even though Haile Selassie died (in 1975) one year before Mao died (in 1976), the former was a year older (83) than the latter (82). The relationship between Ethiopia and China remained in its stagnant state for about twenty more years after Mao and Haile Selassie passed away, until a new era of bilateral relationship began in 1995, owing to the convergence of interests of the political classes in the two countries.

Endnotes

[1] (Clarke; 2011: 10) writes Emperor Hirohito was the 124th monarch of Jimmu Dynasty in Japan.

[2] Japan achieved victory over China in the 1894-95 Sino-Japanese War; Ethiopian forces defeated Italy at the Battle of Adwa in1896. Indeed, after a

visit to Japan in 1932, just one year after Japan seized Manchuria, an Ethiopian scholar likened Japan and Ethiopia to the two eyes which had lived for long in mutual ignorance of one another and claimed his own experience in Japan was a mirror which enabled one eye to see the other (Clarke; 2001: 2, Quirin; 2007). Incidentally, it was the same British Major (later General) Orde Wingate who had helped Haile Selassie in 'liberating' Ethiopia from Italian occupation in 1941 who also led the British war effort in Burma against the Japanese. (Clarke; 2011: 7).

[3] (Clarke; 2011: 172-173). In addition, it is said that one of the most useful sources of the history of Ethio-Japanese relations was a book written by the then Ethiopia's Foreign Minister Heruy Wolde Selasse titled *Great Japan* (1934), which was subsequently translated from Amharic into Japanese with the title of *Dai Nihon*. See (Clarke; 2011: xvi).

[4] The official title of Emperor Haile Selassie is: Instrument and Power of the Trinity, Elect of God, Conquering Lion of the Tribe of Judah, and King of Kings of Ethiopia. (HIM Haile Selassie 1976: 172, Vestal; 2011: 48) describes Haile Selassie's title as "Elect of God, King of Kings, Conquering Lion of Judah, Branch of the Tree of Solomon, and Implement of the Trinity."

[5] Instead it was Japan's Ambassador to Turkey, Yoshida Isaburo, who represented Japan at the coronation ceremony of Emperor Haile Selassie. (Clarke; 2011: 35).

[6] It can be argued that Ethiopia resembled 18th century China more than 19th century Japan. Both China and Ethiopia were rather slow in responding to the forces of moderinization when they came into contacyt with Europe in a major way for the first time. On the other hand, Japan's response was both instantaneous and fundamentally positive.

[7] (Daddi; 2009: 52). On the other hand, Japan was reluctant to oppose Italy's invasion of Ethiopia in 1935 precisely because it saw the invasion as justifiable

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as Japan's incursion was into Manchuria. Indeed there were those in Japan's political class who had suggested that in invading Ethiopia, Italy was mimicking what Japan had done in Manchuria. See (Clarke; 2011: 149-150).

[8] These events transpired in December 1931. See (Clarke; 2011: 42-44).

[9] See (Clarke; 2011: xvi), (LI Anshan; 2005: 62).

[10] The other African states which participated in the Bandung Conference were Sudan, Ethiopia, Liberia, Libya, and the Gold Coast (Ghana).

[11] See (Habte Selassie; 2007: 185).

[12] On the historical dimension of the tensions between the two countries see Trimingham (1976: 70-71); on the issue of the Nile River to which Ethiopia contributes 86% of the waters while utilizing only 1% see (Tafesse; 2001: 67-83).

[13] In fact Emperor Haile Selassie held the record as the only foreign leader for the largest number of state visits to the United States in the twentieth century. The record was broken by Queen Elizabeth in 2003 when she was invited by President George W. Bush for her seventh state visit to the United States.

[14] Haile Selassie was reportedly invited by Roosevelt to visit US but the visit never took place because Roosevelt passed away only months after the Yalta conference. In any case Ethiopia issued in 1947 a commutative stamp with a photo of the 1945 meeting of Emperor Haile Selassie and President Roosevelt. See (Vestal; 2011: 37).

[15] Cited by American Presidency Project. 1999. "Toasts of the President and Emperor Haile Selassie I of Ethiopia." Online: http://www.presidency.ucsb.edu. Accessed: 8 May 2012.

[16] About 300,000 Chinese troops were killed in the war, including Mao's own son.

[17] Ethiopia was also the only country whose troops were not captured by the "enemy" side despite their being part in more than two hundred battles. When the President of South Korea Lee Myung-bak visited Ethiopia in July 2011 he made sure to mention this fact. See "Korea President calls Ethiopia soldiers 'bravest among the brave'." See [http://www.jimmatimes.com] (Accessed 10 April 2012). Another relevant issue in relation to the visit by the South Korean President came to Ethiopia was that he also announced that, as a small token of gratitude, the Korean government was creating a scholarship fund for the children of the Ethiopian veterans of the Korean War. What the Korean President did not perhaps realize was that the implementation of his plan is likely to face serious challenges because the Ethiopian veterans of the Korean War belonged to the wrong "wrong ethnic group" in the eyes of the incumbent government. A 1959 book by S. L. A. Marshall, Pork Chop Hill, partially documents the bravery of Ethiopian troops and a movie by the same name was also produced.

[18] "What happened in the Congo in 1960 was US and Britain lined up on the side of pro-Western Congolese leaders and sought to use the UN peacekeeping mission to oppose the "radical," nationalist prime minister, Patrice Lumumba, in order to prevent the spread of Soviet communism…" With regard to the Congo crisis, China was on the same page with the Soviet Union. See (Adebajo; 2011: 67-102).

[19] See (Vestal; 2011: 44).

[20] What is more, when China was amid its own Cultural Revolution, Isayas Afewerki, the former leader of the Eritrean People's Liberation Front and the current leader of Eritrea, too, was receiving military training in China. See (Pool; 2001).

[21] Ten years prior to Zhou Enlai's visit to Asmara, Emperor Haile Selassie went to the US for a state visit where he was less than pleased, as he indicated later,

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when he was received by Vice President Richard Nixon rather than President Dwight Eisenhower. See (Vestal; 2011: 49).

[22] Somalia's official position was "…Ethiopian-Somali differences over the occupied territories should be settled by peaceful means…the problem had to be settled, one way or another." See (Shire; 2011: 36). Siad Barre, the leader of Somalia from 1960 to 1991, had also said "…our people [in parts of our country occupied by foreign powers] should be allowed peaceful self-determination to gain their freedom…" Siad Barre, speaking in 1975. See (Shire; 2011: 2).

[23] See (Vestal; 2011: 139).

[24] Even so Chinese leaders were not prepared to take anything for granted, however, as Prime Minister Zhou Enlai set out for a visit of 10 African countries in 1963-64. It will be recalled that the Organization of African Unity (OAU) was created in 1963. By 1963 the number of African states which recognized Taiwan was larger (19) than those which recognized mainland China. Today only 3 countries out 53 recognize Taiwan, the remaining 50 states recognize China.

[25] See (Vestal; 2011: 140).

[26] The other African country to be so informed was Morocco. See (Vestal; 2011: 178).

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A survey of Zambian views on Chinese People and their
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A survey of Zambian views on Chinese People and their involvement in Zambia

By **Gérard van Bracht***

> "We feed them, provide them with income, and still they are not happy... We provide loans, we donate… We helped many countries, but even these countries are complaining about the Chinese government ... We help, we pay, they have no gratitude... Not just Zambia, the world is complaining about China, and China is complaining about the world. I don't know why."[1]
>
> *–Senior spokesperson of large state-owned Chinese construction company, Lusaka*

Only a few years ago, in 2006, Chinese shop owners in Lusaka were attacked during post-election riots, "as a presidential election sparked a backlash against Beijing's growing influence in Africa" (The Telegraph; 2006). The following year, Hu Jintao cancelled a visit to the economic Zone in Chambishi, a mining town in Zambia's Copperbelt Province, due to local anger over an accident that killed dozens of Zambian workers two years earlier. The image that has arisen as a result of these and subsequent events, is one of widespread anti-Chinese resentment among Zambians. At the same time, China has risen to become one of

* *The author completed a Masters thesis on Chinese immigrants in Zambia as part of his master's degree in Chinese politics at Renmin University of China in Beijing.*

Zambia's top trading partners, with investments across the board, and a plurality of its actors visibly on the ground in Zambia (Bank of Zambia; 2011). With this discrepancy in mind, this paper explores the twin questions of how ingrained anti-Chinese sentiment in Zambia is, and how to account for the idea that Zambian people "resent" Chinese people in their own country.

1.   The "problem" of China in Zambia

Over the last years, Zambia – one of the oldest diplomatic partners of China in Africa – has received notable attention for the reported anti-Chinese sentiment among the Zambian population. This is partly due to the rise of Michael Sata, founder of the Patriotic Front (PF), who after three previous unsuccessful attempts, won the September 2011 presidential election, unseating the Movement for Multi-Party Democracy (MMD) government. During his campaigns, Mr. Sata often vented his discontent with the activities of Lebanese, Indian, and, especially, Chinese migrants in Zambia, to the point of threatening to expel them (Patel 2006). "Zambia has… found it difficult to attract genuine investors and has become the prey of the rogue Chinese investors that have no regard for the welfare of those that are unfortunate enough to work for them, let alone the countries that have allowed them to exploit their natural resources and people." (Sata 2007: 3). On another occasion, Mr. Sata criticized Chinese investors for ill-treating "our people and that is unacceptable. We are not going to condone exploitative investors. This country belongs to Zambians." (Michael Sata quoted in Lee 2009: 664). Underscoring his discontent with Chinese misconduct in Zambia, in 2006 Sata promised to recognize Taiwan if he

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were elected, antagonizing the Chinese ambassador to Zambia (Brautigam 2009).

Foreign attention toward Zambia and Sata's rhetoric related to a number of high-profile events involving Chinese people in Zambia. In April 2005, 52 Zambians were killed in an explosion at the subsidiary of Non-Ferrous China Africa (NFCA), the BGRIMM explosives factory (Fraser & Lungu 2006). In February 2010, a Zambian miner killed a Chinese manager at the Collum Coal Mine in Sinazongwe. Thirteen Zambian miners were injured at the same mine in October 2010 when two Chinese managers, facing angry miners complaining about wages, shot into the crowd with a shotgun (*The New York Times*; 8 November 2010). And in the fall of 2011, four Chinese men were arrested for allegedly having had sexual intercourse with underage Zambian girls in Luanshya (IPS; 2012). These events have not gone unnoticed by the Western media. *The New York Times* (4 April 2011a) writes that the Collum Coal Mine shooting incident in 2010 "was viewed as an outrage by many Zambians who resent the enormous economic influence China has over their country." And according to *Le Monde* (23 September 2011), Michael Sata "plays on anti-Chinese sentiment" among the Zambian population. According to media reports, this anti-Chinese sentiment has other causes as well. The *BBC* (5 February 2011) interviewed a Zambian woman who sells chickens, saying that the Chinese "are going to drive us out of business... If they want to have small, small businesses ... let them go back to China and do those small, small businesses in China, not here." *The Economist* (20 April 2011) reports that "the recent arrival of Chinese traders in the grimy alleys of Soweto market in Lusaka [has] halved the cost of chicken. Cabbage prices dropped by 65%... 'How dare

the Chinese disturb our market,' says Justin Muchindu, a seller." Granting the fact that the image of Chinese actors and their activities in Africa and Zambia that thus emerges from these (arbitrarily chosen) excerpts merely the most negative one of several paradigms of the "China-in-Africa" debate (Chatelard; 2011), these quotes make one thing clear: there is large-scale discontent with the Chinese, perhaps even anti-Chinese prejudice, in Zambia.

However, reality is more complicated than the picture presented above makes one believe. This is reflected in recent scholarly contributions in the field of China-Africa which have debunked many of the "myths" that surround China's presence in Africa. For example, one particular myth that has been invalidated is the perception that the Chinese government sends workers to Africa under a plan to have them remain behind as traders (Huynh et al. 2010). Furthermore, sometimes the picture presented by media reports contains inaccurate information. For instance, *The Economist* (20 April 2011) writes that "the Chinese-built road from Lusaka, Zambia's capital, to Chirundu, 130km (81 miles) to the south-east, was quickly swept away by rains." In reality, a small part of the Lusaka-Chirundu road did wash away, about a hundred meters, which was not the fault of the Chinese company who constructed the road[2]. These nuances raise the question as to what extent the image of Zambian's perceptions of Chinese people in their country, as presented in the media and in some academic publications, reflects the views of the wider population and the situation on the ground. This also begs the question: if the above quoted media reports are right, what are the causes for this anti-Chinese sentiment in Zambia.

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Over the last few years of China-Africa migration, scholars have devoted much attention to the perception of Chinese activities and Chinese actors in the eyes of locals. Dobler (2009) reports that cheap Chinese goods as well as other factors have caused increased levels of anti-Chinese resentment against Chinese people in Namibia. Sautman and Yan's (2009) nine-country survey (including Zambia) on African's perceptions of Chinese people concludes that the African's views of Chinese people are "variegated and complex" (p. 729); their views often contain both positive and negative elements. Gadzala and Hanusch (2010), based on a Afrobarometer survey in twenty African countries, find that Africans have a generally positive view of Chinese people, but that there is genuine concern about China's impact on African societies in terms of human rights and the impact of Chinese imports on African economies. The authors conclude that "Africans on the whole approach China's African engagement in a deliberate and nuanced fashion" (Gadzala & Hanusch 2010: 18). To this author's knowledge, however, a comprehensive qualitative research of Zambian people's perceptions of Chinese people in Zambia has not yet been conducted.

2. Zambians views of Chinese people in Zambia

This section, drawing on primary data collected during a three-month field study in Zambia (from December 2011 to February 2012), provides an evaluation of the role of Chinese people in Zambia based on structured interviews with 155 Zambian nationals (61 employees of a private Zambian company, 42 entrepreneurs or business owners, 21 employees of a Chinese company, 17 government officials, and 14 students or unemployed). The interviews were conducted orally with a

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standard questionnaire, most in English but some were conducted in the local languages, Bemba and Nyanja, with the help of a Zambian interpreter. Additional in-depth interviews with Zambian and Chinese parties shed light on the nature of the Zambian perceptions as expressed in the questionnaire surveys.

The sample size was non-random, and, since the survey was conducted in four localities in Zambia (Livingstone, Lusaka, Chambishi and Mufulira; the latter two are mining towns), the conclusions are not representative of the views of the entire Zambian population. But the questionnaire survey does give an in-depth and qualitative picture of Zambian views of Chinese people. Second, although, as Ma Mung (2008) points out, "Chinese migrants" in Africa are not a homogeneous group, for practical reasons no differentiation was made in this research between different kinds of Chinese migrants or how they might be perceived by Zambians differently. Instead they are referred to as "Chinese people".

Based on psychological literature on causes of prejudice formation, a distinction is made between the impact of the Chinese presence upon the Zambian people and country on one hand, and the impact on the individual interviewee on the other. Blumer (1958) and Quillian (1995) argue that prejudice emerges if threats directed against the ingroup (in our case, the Zambian nation to which an individual Zambian belongs) affect this group's relative social position to other groups. Other authors contend that prejudice formation fundamentally is the product of conflicts of interest at the individual level (Bonacich; 1972, 1973, Kinder and Sears; 1981, Bobo and Hutchings; 1996, Sears et al.; 1979). For

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instance, Bonacich (1973) argues that, because ethnic migrants usually are thrifty, economically successful, and do not integrate in the host society, they are prone to attract the jealousy and opprobrium of local people, who perceive their success as achieved in an unfair way and at the expense of the locals. This dual layer of analysis is applied here to assess the relative importance of the impact of Chinese activities in Zambia on Zambia and on the Zambian respondents.

The Zambian respondents answered the two following open-ended questions: "What positive impact does the presence of Chinese people in Zambia have on Zambia?" and "What negative impact does the presence of Chinese people in Zambia have on Zambia?". The questions were repeated *ad nauseam*, until the respondent indicated having nothing to add. This method was chosen over a closed-ended list with issues, to prevent "priming" of the interviewees answers. Table 1 lists the complaints and praise relating to Zambia. All the answers to these two questions were organized and put into categories to enable comparisons.

Table 1: Impact on the Zambian nation (N=155)

Positive	Total		Negative	Total
I. Employment	(78)		I. Treatment of workers	(213)
Job creation for Zambians	74		Bad treatment of Zambian workers (e.g. poor safety standards, low wages, violating Zambian labor law, casualization)	157
Chinese employers offer good work conditions/ transfer of skills/training	4		Verbally or physically abusing Zambian workers; killing Zambian workers (e.g. BGRIMM explosion)	44

		Importing Chinese laborers who take jobs that Zambians can do	12
II. Economy and development	(250)	II. Economy and development	(73)
Chinese investments are good for Zambia (e.g. shops, manufacturing, tourism, mining)	113	Bringing in too many or low-skilled Chinese workers; importing Chinese criminals to work in Zambia	5
Construction of Tanzam Railway	19	Making or selling low-quality/fake goods (incl. electronics, poultry, roads)	34
(Financial) assistance (e.g. soft loans); social projects (orphanages etc.); China being a good partner (e.g. no strings attached help); increase the level of medical care in Zambia (e.g. Chinese clinics)	60	China does not do enough to help Zambia; Chinese people do things that hurt Zambia (e.g. stealing copper, causing pollution)	29
Chinese consumer products have a positive impact on Zambia (clothes, machines, cars, technology, lower costs of living)	58	Other	5
III. Business	(5)	III. Business	(23)
Chinese people buy Zambian goods, give Zambian people business	1	Unfair competition by Chinese companies; crowding out of Zambian businesses; saturating the Zambian market	12
Zambian people employed by Chinese companies have higher purchasing power, has a positive effect on business in Zambia	1	Chinese people do business that Zambian people can do	11
Chinese people increase the competitiveness of Zambian companies	3		

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IV. Social behavior	(32)		IV. Social behavior	(96)
Positive impact of Chinese culture/thinking/work ethic; Chinese people and Zambians get along; Chinese people are not racist	32		Non-sexual related amoral behavior (conducting abortions, anti-Zambian racism, encouraging corruption, rudeness, bad character, spitting etc.)	27
			Sexual related amoral behavior (e.g. encouraging prostitution, raping Zambian girls in Luanshya, impregnating and abandoning Zambian girls)	69
V. Infrastructure	(148)		V. Language and culture	(17)
General infrastructure development (including houses, schools, bridges, roads, etc.)	66		Chinese work culture is different from Zambian work culture	1
Roads and/or bridges (specifically mentioned)	59		Chinese people do not integrate into Zambian society; do not understand Zambian language and culture, do not understand how Zambian people live, are not friendly to Zambian	16
Stadiums (specifically mentioned)	23			
Total positive	513		Total negative	422
Respondents with no answer	4		Respondents with no answer	10

Almost half (48.7%) of the positive statements focus on the contribution of Chinese people to the development of Zambia and the Zambian economy. Among them, the general contribution of Chinese people and companies was frequently mentioned (76 times). Chinese investments in the mines, mentioned 37 times, were especially important in the

Copperbelt. In this respect, one Zambian mechanical engineer working for a large Chinese mining firm points out: "I have seen Chambishi transform from a mere small township into a larger industrial town. They built the smelter here, revived the mines. Luanshya [another mining town in Zambia's Copperbelt Province] was almost a ghost town at some point but now it's back to life."[3] The second category that stands out is China's investment in infrastructure in Zambia, which was mentioned 148 times by the interviewees (28.8% of all positive comments), a sign that that China's infrastructure investments are appreciated by Zambians. 19 people specifically mentioned the Tanzania-Zambia Railway, which was constructed by China between 1965 and 1975.

Fifty-eight positive comments related to the low price or availability of Chinese goods. China is often credited with increasing the purchasing power and living standards of people in Africa by bringing in inexpensive goods to Africa, which are much more affordable than both Western imports and many local products (Sautman & Yan 2007), and this also applies to Zambia. Chinese people are also criticized for selling low-quality goods in Africa (Taylor 2009). The issue of inferior quality of Chinese products was mentioned by 34 respondents. Although many respondents are satisfied with the low price of Chinese products they buy in Chinese stores, many of them in the same breath criticize these products for their inferior quality. This is exactly what Haugen and Carling (2005) found for Cape Verde.

The treatment of workers, however, is clearly a major issue on the Zambian level for the respondents. Half of the total complaints (50.5%) relate to the issue of treatment of Zambian workers, which are mostly about the low pay of workers and the verbal or physical abuse of workers. Twenty-

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five people specifically mentioned the Collum Coal Mine shooting or the BGRIMM-explosion in Chambishi. Chinese traders are often accused of crowding out local business in African countries, but as Marfaing and Thiel (2011) show for Ghana and Senegal, this charge is not always justified. In this survey, 23 complaints related to this issue, so a negative impact of Chinese entrepreneurs on Zambian business does seem to be a concern for some of the respondents. Another major area of complaint is the moral behavior of Chinese people in Zambia; 22.7% of the complaints related to this category. These complaints can be divided into two categories: non-sexual moral conduct and sexual moral conduct. The first category includes habits that some Zambians disapprove of, like spitting. The second category relates to "sexual issues", e.g. the complaint that Chinese men encourage prostitution. Especially the alleged abuse of Zambian girls in Luanshya by four Chinese men in 2011 led to fierce reactions from the part of the Zambian interviewees. The men were acquitted from charges in March 2012 (Lusaka Times 2012).

Praise and complaints for the individual

The questionnaire also contained two questions relating to the impact of the Chinese presence on the individual: "What positive impact does the presence of Chinese people in Zambia have on you, your family and friends?" and "What negative impact does the presence of Chinese people in Zambia have on you, your family and friends?" Table 2 lists the results.

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Table 2: Impact on the individual Zambian respondent (N=155)

Positive	Total		Negative	Total
I. Employment	(144)		I. Treatment of workers	(107)
A Chinese company employs me or has employed me	18		Chinese employer treats me bad at work*	23
I can support my family, Chinese company teaches me skills, work conditions are not bad	26		*Bad treatment at work of my family and/or friends**	55
A Chinese company employs respondent's family and/or friends	80		*Bad treatment at work of Zambian people in general**	29
Respondent's family/friends/ acquaintances have an income, increases my purchasing power	12		* = incl. bad treatment in general, or specific complaints, like violation of labor laws, low salaries, poor safety standards, no transfer of skills, physical/verbal abuse etc.	
Chinese companies employ Zambians (excl. my family members/ friends)	5			
Spill over effect on Zambia because many Zambians have an income due to being employed by Chinese company (e.g. less prostitution and crime)	3			
II. Economy and development	(94)		II. Economy and development	(40)
Chinese investments help Zambia develop, this has a positive effect on me/family members/friends	21		Chinese people are selfish; they benefit more than Zambians; they don't do enough for Zambia	6

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Medical facilities from which I benefit (Chinese doctors, medical equipment, Chinese medicine, Chinese built hospitals etc.)	21		Chinese products/services are of poor quality, sometimes even increase Zambian's costs of living	27
Chinese products have a positive impact on me/family members/ friends	46		Grabbed my family's land without proper compensation	2
Sponsored my/my family member's/my friend's education	3		*Chinese people don't respect/don't care about Zambian people*	3
Other	3		*There are too many Chinese people in Zambia; Chinese people control Zambia*	2
III. Business	(23)		III. Business	(25)
Me/my friend/family members do business with Chinese people	10		Chinese people compete with me and/or have negative impact on my business	13
I sell Chinese made products, enables me to make a profit	6		Chinese people compete with my family member's/friend's business and/or have negative impact on their business	5
Zambian people have an income due to being employed by Chinese company, increases their purchasing power, is good for my business	5		*Chinese businesses have a negative effect on the company I work for (lower bonus, Chinese pirate the products we sell)*	5
Chinese people increase the competitiveness of Zambian companies	2		*Chinese businesses have a negative effect on Zambian business in general*	2
IV. Social behavior	(34)		IV. Social behavior	(27)
Positive effect on myself because of interaction with Chinese people (Chinese culture/thinking/work ethic, friendship, material and spiritual support)	33		*Non-sexual related amoral behavior (conducting abortions, anti-Zambian racism, encouraging corruption, rudeness etc.)*	12

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It is good that Chinese men marry with Zambian women.	1		*Sexual related amoral behavior (e.g. encouraging prostitution, raping Zambian girls, impregnating and abandoning Zambian girls in general*	15
V. Infrastructure	(35)		V. Language and culture	(5)
General infrastructure development (including houses, schools, bridges, roads, etc.)	13		*Communication problems affect my work at a Chinese company*	2
Roads and/or bridges (specifically mentioned)	19		Chinese people don't integrate into Zambian society and/or don't understand Zambian culture and language	3
Stadium (specifically mentioned)	3			
Total positive	330		Total negative	204
Respondents with no answer	21		Respondents with no answer	56

Whereas in Table 1 the economy and development category tops the list of positive comments, at the individual level, employment creation by Chinese people is clearly the most important positive impact on individual Zambians. 43.6% of all instances of all positive comments relate to employment. Eighty Zambians are grateful to Chinese companies for employing their family members and/or friends. Forty-six Zambians mentioned that Chinese products have a positive impact on their life, reflecting the importance of Chinese consumer goods for Zambians. Frequent mentioning of the fact that China has contributed to the development of medical facilities in Zambia (Chinese doctors, Chinese built clinics or hospitals, Chinese medicine, etc.) and that Chinese investments in general are beneficial to respondents themselves, provide evidence that also on the individual level there is certain

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appreciation for the development that Chinese companies and Chinese people bring to Zambia.

As for negative comments, complaints concerning the work conditions provided by Chinese companies top the list for comments on the negative impact on the individual interviewee. More than half (52.5%) of the complaints relate to poor pay, bad work conditions, safety, violations of the Zambian labor laws, and verbal and physical violence. As in other African countries, all major Zambian cities have one or multiple "Chinese shops", a store of varying size run by one or two Chinese people and stocked with cheap consumer goods ranging from pens to shoes to children's toys (Haugen and Carling; 2005). With respect to the impact of Chinese investments on Zambian businesses, the results of the survey paint a complicated picture. The 42 Zambian business owners that were interviewed were also asked a separate question on the questionnaire. One-third of them explicitly complained that Chinese business activities in their locality have a negative impact on their own business. Especially Zambian sellers of chickens and second-hand clothes reported being affected by Chinese competitors. However, not every Zambian shop-owner experiences competition from Chinese businesses. Most Zambian owners of clothes boutiques denied experiencing competition from Chinese shops, because they cater to a different group of consumers, namely those who can afford to buy better quality clothing than the low-price, low-quality clothes that most Chinese shops offer.

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Indirect effects

Table 2 contains italicized items which can be called the *indirect* effect of the Chinese presence in Zambia. These items indicate that several interviewees – when asked about the positive or negative impact of the Chinese presence on himself or herself – would mention an effect that did not directly advantage or disadvantage this person, but had an impact in an indirect way.

In order to show the indirect effect for labor, the relevant complaints were combined and put into three categories: those pertaining to the interviewee, those concerning the interviewee's friends or family members, and those relating to Zambians in general. From this it is clear that many Zambians feel they are indirectly affected by the labor abuses that affect their family and friends, or Zambians in general. On the positive side, not only do many Zambians appreciate the employment that Chinese people bring to Zambia, they also specifically mention various indirect positive effects on themselves due to employment created by Chinese companies. For instance, several respondents mentioned the fact that they themselves benefit from increased employment created by Chinese companies. Zambian breadwinners can support their families because they have a job, the result of which is that their family and friends are financially less dependent on them because they earn their own income. As a local government official in Chambishi points out: "In Zambia we have that dependency syndrome, where you have to share your salary with family members and your friends, but now that they have jobs I don't have to share anymore."[4] Twenty-six Zambians

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employed by a Chinese company report that they can support their family with their current job, learn new skills, or are generally satisfied with the work conditions; 12 Zambians mentioned that the fact that their family or friends have a job has increased their purchasing power; and 3 respondents reported a positive indirect effect on Zambia because of a general increase in employment due to Chinese companies.

Second, several Zambian business owners emphasized "spill over" effects of the Chinese presence in Zambia on their business. These effects include satisfaction with the Chinese products they sell because these products enable them to make a profit. The employment provided by Chinese companies in Zambia also increases the purchasing power of Zambian employees, who then spend more money in local shops. The owner of a grocery store in Chambishi explained that "most Zambian workers [here] work for the Chinese, [these Zambian workers] come spend money in my shop."[5] Indirect negative effects of Chinese competition on local business were also found: several Zambians who worked for Zambian firms complained that their bonus had decreased because the shop they worked in sold less due to Chinese competition, or that Chinese shops copied their goods and sold them for a lower price.

Third, the items under "social behavior" in Table 2 indicate that many Zambians feel that they are personally negatively affected by the general behavior of some Chinese people in Zambia. For instance, some respondents object to the fact that Chinese doctors conduct abortions in Zambia. On the positive side, 33 Zambians reported a favorable social impact of their interactions with Chinese people on their own life, because of the friendship or help they received from Chinese people.

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It is important to be aware of these indirect positive and negative factors, because they may affect Zambian perceptions of Chinese people in a significant way. However, these indirect impacts are rarely mentioned in the literature on China-Africa. From these indirect effects one can also learn that many respondents are disinclined to make a distinction between what is "good/bad" for Zambia and what is "good/bad" the individual respondent (or for his friends and family members). As one Zambian journalist put it, certain Chinese abuses "do affect me. As a journalist you strive to improve the lives of people, report bad things, it brings you down emotionally."[6]

3. Anti-Chinese prejudice?

The previous section provided an analysis of the benefits and drawbacks of the Chinese presence in Zambia in the eyes of the respondents. This section provides data on Zambian's perceptions of the nature of Chinese people from the viewpoint of attitudes. The questionnaire contained the question: "In your eyes, how many of the Chinese people in Zambia do you […] ?", which was paired with eight attitude verbs listed in the left column in Table 3. These verbs are partially derived from an attitude scale that has been used in psychology to measure prejudice (Stephan et al. 1998). To each of these verbs the respondent indicated on a seven-point Likert scale from 1 ("none of them") to 7 ("all of them") to what portion of Chinese people in his/her eyes the given attitude applies.

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Table 3: Distribution of attitudes towards Chinese people among 155 Zambian respondents (in %)

Atti-tude	None	A few	Some	Half	Most	Almost all	All	Missing	Total (%)*
Like	7.7	22.6	19.4	9	14.2	7.1	20	0	100
Dislike	30.3	31.6	14.2	7.7	5.8	5.2	5.2	0	100
Trust	19.4	33.5	23.9	7.7	5.8	3.2	6.5	0	100
Envy	34.2	15.5	20	5.2	15.5	4.5	4.5	0.6	100
Fear	60.7	7.7	16.7	1.3	6.5	1.3	4.5	1.3	100
Admire	24.5	27.7	16.8	7.1	10.3	5.8	7.7	0	99.9
Re-spect	2.6	10.3	12.3	5.8	21.3	7.7	40	0	100
Hate	69	12.3	9	3.2	1.9	1.9	1.9	0.6	99.8

Although there are no benchmarks to assess the absolute level of prejudice or the relative level compared with Zambian attitudes toward other foreigners, the results do tells us a few things. Although two-thirds of the 155 respondents expected to dislike "none" or "a few" Chinese people in Zambia, almost fifty percent expected to like less than half of the Chinese people in Zambia. This implies that even though there is no real dislike for Chinese people among the respondents, it cannot be argued that there is general fondness of them either. Interestingly, though, one-fifth of the respondents indicated to like "all" Chinese people. Second, trust in Chinese people is generally low. Third, most of the respondents don't fear Chinese people at all. Forty percent of the respondents said to

respect all Chinese people in Zambia, and more than two-thirds of them indicated not to hate a single Chinese person.

Despite that there are complaints and discontent about Chinese people among the Zambian respondents, there is also substantial reason to believe that this discontent should not be interpreted as wholehearted anti-Chinese prejudice. Ashmore (1970) defines prejudice as "a negative attitude toward a socially defined group and any person perceived to be a member of that group" (p. 253). Pettigrew defines prejudice against a group as "antipathy accompanied by a faulty generalization" (Pettigrew 1980: 821, quoted in Quillian 1995: 587). If we strictly apply these two somewhat authoritative definitions, then negative attitudes, antipathy, and faulty generalizations of Chinese people were certainly found among the Zambian respondents. As Table 3 shows, 12.3 percent of the respondents said to hate "a few" Chinese people. However, it is not a blind, inflexible negative attitude that governs the views of most Zambians in this survey. First, in two other questions on the survey, when asked about the impact on Zambia of the Chinese presence, 14 percent tends toward a negative impact, and 53 percent tends toward a positive impact (for 33 percent it is as much positive as negative). When asked about the impact on the individual respondent and his family and friends, 15 percent tended towards a negative evaluation, and 47 percent towards positive evaluation (for 37.5 percent the impact is as much positive as negative; one answer was missing for this question). Second, in two additional questions, 78.6 percent of the respondents reported that Zambia would "not at all" or "not really" be better off if all Chinese people would leave the country. And 65 percent of the respondents said that it would be "not at all" or "not really" be good for himself or his

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family and friends if all Chinese people would leave Zambia. Third, the most pressing issues for the Zambian respondents are concentrated in a few areas: the treatment of Zambian workers and the moral behavior of Chinese people, especially the defilement case in Luanshya. These are two areas that are most critical for the respondents and that Chinese people and companies in Zambia are able to improve on. Fourth, the "indirect effects" as described above indicate that there is "hidden" appreciation of the contribution of Chinese people to Zambia, which is understated in the literature. Fifth, many staunch critics of the Chinese can still see some positive things about their presence. A woman in Chambishi who lost a cousin and friends in the 2005 BGRIMM explosion said that the Chinese "don't respect our culture, they've brought in counterfeit goods, but at the same time they've created jobs, even for those who are illiterate and reduced crime in the community because lots of people are working now."[7] Conversely, Zambians who are very favorable about the Chinese presence will still point out areas that need improvement. A Zambian woman who has lived in China for fourteen years and now works for a Chinese company in Lusaka commented that Chinese companies that "treat the workers bad destroy the Chinese good name and the confidence the Zambians have in the [Chinese-Zambian] partnership."[8] The general picture that emerges from this analysis is similar to Sautman and Yan's (2009) conclusion that African's views of Chinese people are varied and not as negative as the Western media portray, nor as positive as the Chinese discourse makes them out to be.

4. Analyzing Zambian views of Chinese people in Zambia

The foregoing has argued that Zambian's perceptions contain negative elements. How can we explain the existence of these complaints? Six factors are particularly applicable to the case of Zambia: a feeling of threat, the role of politicians, high expectations, cultural factors, structural factors, and the role of the media.

First, part of Zambian people's complaints are rooted in *real* or *perceived* disputes over goals or resources, and feelings of threat resulting from this competition. Disputes and threat are often seen as a cause for prejudice and ethnic conflict (Esses et al.; 1998, Chua; 2003, McLaren; 2003, Esman; 2004, Stephan et al.; 2005). These disputes can be the result of economic competition for scarce resources or economic power (LeVine & Campbell; 1972, Bobo; 1983); symbolic or cultural attacks on the beliefs, values and culture of the own group (Kinder & Sears 1981; Sears 1988); or competition over political power.

For Zambians who work for Chinese companies, particularly in mining and construction, unsatisfactory work conditions are a major factor causing them to hold negative views of Chinese people, like this miner in Chambishi working for a Chinese mine: "Sometimes it hurts, you work for 30 days, somebody pays you 700.000 KW [140 USD]. . . . That is the root of all problems, it's the pay."[9] Many miners say the work is hard and the pay too low, as another miner, on a permanent contract with a Chinese mine in Chambishi said: "I'm working very hard, and Chinese people earn good money, but I earn a little. . . . There is nothing good [the Chinese are doing], because I'm suffering."[10] According to him, Chinese people are "very much" a threat to Zambia, because "they have

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corrupted the government and don't look after the workers." In these statements, coming from low-paid miners, material conditions play a central role.

As for shops and restaurants, some evidence indicates the existence of conflict and a sense of threat. A self-employed business woman selling clothes and electronics in Chambishi commented that the Chinese "very much" pose a threat to her business: "It affects even my family, people don't buy from me but from the Chinese, it makes my family suffer."[11] This closely resembles Bonacich's (1973) thesis that ethnic migrants' economic activities often lead to conflicts with the host society, especially with local competitors and customers, who feel threatened in their livelihoods. However, conflicts do not always (solely) arise over material conditions. For various Zambian interviewees corruption was a major concern. A grocery store owner in Mufulira said that "the Chinese are corrupt, that's my major threat. The Chinese corrupt Zambian politicians."[12] And a Zambian man, acting as a manager in a Chinese shop, complained about a sense of fear which he experiences while working for Chinese people: "Chinese don't care about our lives, they only want to get the money, that's all. . . . They don't follow the laws of Zambia. . . . As an employee you can't do anything. The Chinese will say 'no this employee stole money' and bribe the Labour Minister, so they won't help the employee. . . . We Zambians that work for the Chinese, we just fear them, because they are the boss, they have got money."[13] Perception of cultural threat was also evident. One Zambian man who used to work for a Chinese mining firm in Chambishi said that "the Chinese don't like Zambian people going to church. The Chinese

say: 'Go to church and see if Jesus gives you money. You come work, I will give you money.' It's offensive, because they are serious about it."[14]

There is sufficient factual evidence to support the above views. Although the situation has improved over the last years, the Chinese-owned mine in Chambishi used to be the lowest paying mining firm among all mining firms in Zambia (Fraser & Lungu; 2006). Labor unions in Zambia criticize Chinese construction firms for their tendency to maximize temporary labor.[15] A Zambian employee of a Chinese shop in Livingstone reported earning 500.000 KW (100 USD) per month.[16] A waiter in a Chinese restaurant in Lusaka said he earns 419.000 KW (84 USD) per month, excluding tips, but "the boss keeps most of the tips."[17] Even though the minimum wage in Zambia was 584.000 KW (117 USD) per month at the time of research, these wages are not enough to sustain a family. Additionally, the Zambian government has a "very big challenge" with Chinese shop owners in Lusaka, because they, in violation of the Zambian labor law, often do not keep a proper record of paid wages and hours worked.[18] With regard to corruption, Chinese companies are said to engage in bribery most often among all construction companies in Zambia, both Zambian and foreign.[19]

But the situation is not as straightforward as it seems. For instance, in the mining sector, Human Rights Watch (2011) concludes that, although abuses at other foreign mining firms also occur in Zambia, Chinese companies generally have the worst performance in terms of work conditions. However, currently, Chinese wages for skilled labor are comparable to other mines in Zambia, and the Chinese owned Luanshya mine even pays better than the Swiss/Canadian owned Mopani mine.[20]

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Furthermore, all mining firms in Zambia, both Chinese and non-Chinese, hire contractors to do general construction work or temporarily fill in extra labor requirements, who pay less than the parent company (Sautman & Yan; 2011). But because the Chinese are the major contractors in Zambia, the perception that Chinese contractors don't pay well is correct, because "the Chinese are the major contractors. But there are these non-Chinese contractors who equally pay badly."[21] Some Zambian and non-Chinese foreign investors pay their Zambian employees below minimum wage.[22] And although some Chinese mining firms have evaded taxes through transfer pricing to the detriment of the Zambian government (Haglund; 2008), non-Chinese foreign mining companies in Zambia have also, through elaborate schemes, cheated the Zambian government in taxes from copper revenue (Sharife; 2011). In spite of this, Chinese people still bear the brunt of the criticism.

It must also be remarked that especially low-skilled and low-paid workers were prone to express fierce and negative attitudes towards "the Chinese" and to report higher levels of threat from the Chinese presence. Low-skilled workers are frequently concerned about the lack of respect which their Chinese managers accorded to them. A Zambian roller operator (with a monthly salary of between 500.000 and 750.000 KW, or between 100 and 150 USD) working for a Chinese construction company in Livingstone asserted that "nobody can say the Chinese do good things. They're not good investors. They insult us sometimes in Chinese... They can fire you, they don't care."[23] Let us contrast this with a statement from a Zambian engineer (with a monthly salary of between 4 and 5 million KW, or between 800 and 1000 USD) working at the same Chinese construction company: "Workers enter a contract. Some-

body who has never been to school gets 500.000 KW [100 USD], can't speak proper English, how do you expect them to earn a high salary? Less educated Zambians have too high expectations. If [this Chinese company] was not here, most of these people would not have a job... The crime rate would escalate."[24] When asked if Chinese people in any way pose a threat to his interests, a welder (with a relatively high monthly salary of between 2 million and 2.5 million KW, or between 400 and 500 USD) working for a Chinese mine in Chambishi replied "Not at all. In the future a Chinese person might take my job but the chance is not high. They can take my job but not my knowledge."[25]

The feeling of being threatened and conflicts over real issues, such as about wages, are viable explanations for negative sentiments among Zambian people. However, high-skilled Zambians and those who do not feel *directly* economically, culturally or politically threatened also expressed complaints about the effect of the behavior of Chinese people on Zambia, without being affected themselves by Chinese behavior. A medical doctor in Mufulira, for instance, who thinks Chinese people do not pose a threat to his own interests at all, but do threaten the interests of Zambians in general, sees several forms of negative impact of their presence on Zambia, for example the fact that they don't integrate well into Zambian society and that Chinese employers do not transfer skills and knowledge to their Zambian employees.[26] Genuine conflicts of interest do happen at the personal level and personal grievances – transmitted through conversations – influence the opinions of others. At the same time, the individual's environment, through interactions with other people, rumor and gossip, the reports they hear in the media, and statements from politicians also influence the views and threat

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perceptions of an individual (Rothbart and John 1985), creating a public discourse on Chinese people in Zambia. Rosenstein (2008) has found this effect for racial relations in the USA: "One situation where a group threat can spawn a personal threat is if a person believes that her neighborhood will deteriorate with the influx of blacks and she extrapolates that her own house will consequently lose value" (p. 1131). As complaints of disgruntled Zambians – some with a real base, some without one – about the Chinese are transmitted throughout the Zambian nation, perceptions can become reality, and Zambians who are not directly affected by Chinese activities may become more sensitive to a real or perceived threat, simply because other Zambians are affected.

Some authors argue that Michael Sata has played a crucial role in creating or exacerbating perceptions of Chinese threat among Zambians. Sautman and Yan (2009) point out that Botswana and Zambia have anti-Chinese sentiment, because it was turned into an issue by local politicians. Patel (2006) argues that Michael Sata has, albeit to a lesser degree, also used Indian and Lebanese foreign investors as a scapegoat to win votes. How valid is this idea? As in 2006, during the 2011 election campaign Mr. Sata singled out Chinese investors and criticized them for not creating quality jobs, that their investment does not benefit Zambian society enough, and that some Chinese traders are not genuine investors and compete unfairly with small Zambian businesses.[27] This criticism helped him to win votes in the key Zambian constituencies of Lusaka and the Copperbelt Province (Masterson; 2011). Interestingly, Mr. Sata hosted a lunch for the Chinese business community in Zambia immediately after being elected (*The Guardian*; 3 November 2011). And since September 2011, Mr. Sata has toned down his anti-Chinese

rhetoric (*Mail & Guardian*; 14 June 2012). Can Mr. Sata's turn-about on Chinese people explained by political opportunism? It would be wrong to dismiss Mr. Sata as a populist merely satisfying his own political ambitions. Mr. Sata could only get elected, because he raised certain *real* problems, conflicts over real interests that genuinely concern the Zambian people – corruption, mistreatment of Zambian laborers, the wealth gap – that were neglected by the MMD government (Larmer & Fraser ; 2007, *The New York Times*; 31 October 2011b). However, as this paper shows, at the same time there is a level of unfairness in his rhetoric, because some accusations of Chinese people in Zambia have been exaggerated or not put into a proper context. For example, as was shown above, although some Chinese engage in illegal activities in Zambia, other foreign and Zambian firms do so as well. Why put the spotlight mainly on Chinese investors?

Perhaps some Zambians are disappointed in the boon that the Chinese were expected to bring to Zambia. Throughout the interviews, some Zambians were found having high expectations of the role that China should play in Zambia. For example, on a Saturday morning the author was chatting with a Zambian market salesman at a busy market in Lusaka. Heavy rains of the previous night had turned the sand roads of the market into a foot-deep stream of mud. When asked whether the Chinese presence has any negative impact on his life, the market sales man looked at the road and said that he would like the Chinese to "maintain our roads, especially here in Soweto we need drainage," making it sound as if Chinese people have a responsibility to take care of this.[28] Similarly, a woman in Chambishi commented that "the Chinese don't assist the poor people in Zambia. We just want help, assistance to

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my children. They don't visit people, see how the people live and how they are doing, doing something for the people."[29]

This outlook, when transplanted to a work environment, can also be a source of conflicts between employer and employee. Chinese people in Zambia invariably contrast their own work style which emphasizes diligence (*qinfen* 勤奋) with the work ethic of their Zambian employees, who in their eyes are idle (*landuo* 懒惰).[30] One can argue that these views are heavily informed by ethnocentrism and racial stereotypes. However, some Zambians, like this Zambian engineer working for a private Chinese construction company, shares Chinese peoples' view: "On Monday most Zambian general workers don't report for work early, sometimes they'd even miss out, because they drank too much, they did too much of everything... The moment they get money, they'd just knock off early from work or buy sachets of liquor and start drinking on the work site... That's how undisciplined they are. It's dangerous at the site. When the Chinese say something about it the Zambian workers think the Chinese are harsh… But the fact is they were drinking on site."[31] These irresponsible acts by Zambian workers anger their Chinese colleagues, who, as Lee (2009) explains, "demand of their African workers the same work ethics and sacrifice they believed have allowed the Chinese to develop, and which have yet to be found among the African workforce" (p. 654). Zambian workers, on the other hand, feel a sense of exploitation, because current wages and benefits are much less generous than during the high tide in the 1970s when the Zambian government ran the mines (Lee; 2009, Fraser & Lungu; 2006).

This cultural clash goes the other way as well. Chinese people living in Africa tend to isolate themselves from the local communities (Park 2009). According to Lee (2009), this is the case in Chambishi, where Chinese workers live in secluded areas, usually speak very little English or local languages, and rarely interact with Zambians in their spare time. This is also how most Chinese people who were interviewed for this research live. As a Chinese engineer points out, after three months in Zambia, besides during his work he has had contact with few Zambians.[32] And a Chinese man working for a Chinese construction company said that "normally we don't got outside. Maybe because of security reasons. There have been quite a lot of incidents directed against Chinese people."[33] According to intergroup contact theory, contact between people from different ethnic groups will lead to less mutual prejudice and more positive views of each other (Allport; 1954, Pettigrew & Tropp; 2006). However, besides the existence of contact, the type and meaningfulness of this contact are also important (Amir; 1969; Pettigrew; 1998). Although these figures are not generalize to Zambia, of the 155 respondents, 26% work or have worked for or with Chinese people, 8.5% have Chinese neighbors, 10% have Chinese acquaintances, 18% have visited Chinese doctors or clinics, and 82% stated having visited a Chinese shop. But it is unclear how meaningful the contact of each of these types of interaction are in reality. The sample also contained 39 Zambians who indicated having Chinese friends, one of the most meaningful forms of interethnic contact (Cook; 1962, Pettigrew; 1998). However, the interpretation of friendship can be very broad. And having Chinese friends does not necessarily translate into positive views of Chinese people, as a woman in Chambishi who conducts business with Chinese

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people, has Chinese friends in Botswana and visits Chinese clinics, observes: "Chinese people are very harsh, they don't understand Zambian people."[34] Language is arguably a key barrier in the interaction between Zambians and Chinese, causing friction, as an electrician at a large Chinese mining company said about his Chinese supervisors: "Wherever I'm standing, they will be standing next to me, they will be busy shouting insults at you in their own language. A Zambian interpreter told me, when [a Chinese person] says this, he is actually insulting your mother."[35] In practice, as a Zambian engineer working for a large Chinese private construction company explains, this easily leads to misunderstandings between Chinese employers and Zambian employees, "because if you don't understand each other you end up arguing. One guy is saying this, you are saying that, but at the end of the day you are saying the same, but not communicating rightly."[36]

Zambian anti-Chinese sentiment also originates from situations created by policies and acts of previous Zambian governments, which willingly or unwillingly have allowed abuses to take place. Although Zambia has been independent for more than fifty years and enjoyed an average GDP economic growth of 5.6 percent from 2001 to 2010, the country, with an average per capita GDP of around 1000 USD, remains one of the poorest on earth (The World Bank 2011). Corruption has been endemic in Zambia for decades (Ihonvbere; 1996), and it still is.[37] These structural factors lower the bargaining position of the Zambian government vis-à-vis foreign investors, for instance to counter abuses or raise minimum wages. A concomitant factor is that some Zambian government institutions lack capacity to deal with abuses by foreign investors in the mines (Human Rights Watch; 2011). Haglund (2008) asserts that

Chinese companies trying to cut corners in the Zambian mining industry is the result of a combination of a weak compliance culture in China on the one hand and weak regulatory and political institutions, lack of transparency and capacity constraints in Zambia on the other hand. Taylor (2009) argues that Chinese compliance is generally higher in African countries with strong regulatory frameworks and enforcement capacity. The structural and institutional framework in which these Chinese companies operate may explain why abuses, which have shaped Zambian perceptions of Chinese people, were allowed to happen. Although Chinese companies obviously have a responsibility to prevent these problems from arising, the Zambian government also needs to enforce its own laws. Additionally, Kragelund (2009) argues that Western anxiety of Chinese expanding activities in Zambia is partially self-inflicted, because it were the Western countries who forced Zambia to adopt economic policies that enabled China to invest in Zambia. This gives credence to the idea that abuses and the consequent negative attitudes towards Chinese people are the result of a shared responsibility by Zambian, Chinese and non-Chinese foreign actors in Zambia.

Several Western and Chinese scholars blame the (Western) media for stirring up anti-Chinese sentiment among Africans (e.g., see Li Anshan 2008; Wang Xuejun 2009; Li Pengtao 2010; Sautman & Yan 2008, 2009; Wainaina 2012). A vice editor of a Zambian daily newspaper argues that Western reporting about Chinese activities in Zambia is "not balanced and fair," "biased and mainly one sided" and sometimes "exaggerated", because the Western reporting mainly emphasizes the negative side of Chinese investments.[38] Another Zambian journalist argues that "it is very possible" that the media in Zambia play a role in

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distorting views of the Chinese, because it is "pretty common" that Zambian journalists "emotionally attach themselves to the cause of the [Zambian] people".[39] For the respondents in the survey sample, newspapers and television ranked second (27.2%) as their most important source of information on Chinese people and their activities in Zambia, behind personal experience or personal observation (46%), but before "what other Zambians say about Chinese people" (20.4%), and government policy/government information (4.9%).[40] However, as another Zambian journalist points out, the media can also expose real abuses to the benefit of Zambian people.[41] "The media" is also a rather nebulous concept. Its precise impact on Zambian people's perceptions and its relative importance vis-à-vis other factors that shape Zambian people's perceptions is hard to quantify. But at the very least, this paper has shown that the perception that Zambians generally dislike Chinese people is too sweeping. There is more appreciation of the contribution of Chinese people and companies to Zambia than written publications on "China in Zambia" make them out to be. This problem also speaks to the wider China-in-Africa discourse as reflected in popular books, like Halper's (2010), who argues that "Beijing pours billions of dollars in gifts and low-interest loans into the coffers of corrupt African regimes," which "provide access to resources and a dumping ground for poor-quality products" (p. 99). In another book one reads that "all Beijing's posturing, its talk of 'ethics' and the rest, seems merely cosmetic, a way of presenting itself as a responsible, benevolent ally of the suppressed that refuses to get involved in conflicts so as to arbitrate disinterestedly and secure the pax Sinica" (Michel, Beuret & Woods 2009: 144). The problem is not that these portrayals are necessarily

(entirely) wrong. The problem is that these one-sided accounts paint a black and white picture of Chinese people and their activities in Africa that does not do sufficient justice to the far more nuanced and complex truth.

Conclusion

Rather than altogether dispelling the notion that there is widespread anti-Chinese resentment in Zambia, this paper has provided evidence that nuances this perception. Zambian people's perceptions of Chinese people in Zambia are not as unfavorable as some media and (popular) books on China present. Zambians have numerous complaints, many of which are justified, but there are also mitigating factors which are understated in the mainstream view of China's engagements with Africa. The views of most Zambians of Chinese people contain both positive and negative elements, including indirect effects which are not highlighted in the literature or media reports on Zambia. Just as Chatelard (2011) argues that China's interactions with Africa should be seen as a multifaceted process involving different actors, Zambian people's views of Chinese people in Zambia are likewise multifaceted, and more complex than can be captured in a magazine article.

This article has also shown some of the interplay between the factors which are responsible for, on one hand, this partial *misperception* that there is widespread anti-Chinese resentment in Zambia; and on the other hand, the accurate *perception* that many Zambians have complaints about the Chinese activities in their country. Real conflicts over values and material interests mix together with misperceptions and cultural differences to create perceptions of Chinese people that have become

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embedded in the Zambian mind. The Zambian public discourse on Chinese people, which is both the origin and the result of this blend, does contain many "grains of truth", but has also gone to live a life on its own, and influence the attitudes and behavior that the Zambian majority displays against the Chinese minority in Zambia. As complaints of disgruntled Zambians about the Chinese are transmitted throughout the Zambian nation, Zambians who are not directly affected by the Chinese, may also become predisposed against Chinese people. Politicians, eager to stand up for the people and to win the popular vote, have turned the Chinese presence in Zambia into a political issue. The media pick up this sentiment, and sometimes filter out the nuances and inflate these stories. Although none of the above factors is quantifiable, nor is their relative weight to each other clear, this paper has presented reasonable evidence that each one of them plays a significant role in the process that has shaped Zambians' perceptions of Chinese people, and outsiders' perceptions of this situation. Culpability for conflicts between the two nationalities is diffused among different actors, and it is the responsibility and in the interest of all to prevent these misperceptions from exacerbating, and to work together to improve their ethnic relations.

End Notes

[1] Interview with Chinese senior spokesperson of large state-owned Chinese construction company, Lusaka, 19 January 2012.

[2] Interview with two experts from the Road Development Agency, Lusaka, 18 January 2012; Interview with expert from the National Road Fund Agency, Lusaka, 24 January 2012.

[3] Interview with Zambian mechanical engineer, Chambishi, 5 February 2012.

[4] Interview with social economic planner at municipal government, Chambishi, 1 February 2012.

[5] Interview with owner of grocery store, Chambishi, 4 February 2012.

[6] Interview with Zambian journalist, Lusaka, 27 December 2011.

[7] Interview with Zambian saleslady in clothes boutique, Chambishi, 1 February 2012.

[8] Interview with Zambian woman who works for a Chinese company, Lusaka, 16 January 2012.

[9] Interview with Zambian electrician at Chinese mining company, Chambishi, 31 January 2012.

[10] Interview with Zambian miner (gun attendant) at Chinese mining company, Chambishi, 5 February 2012.

[11] Interview with Zambian owner of shop selling clothes and electronics, Chambishi, 31 January 2012.

[12] Interview with Zambian grocery store owner, Mufulira, 12 February 2012. Some other interviewees who mentioned corruption by Chinese people as a problem: Interview with head teacher at a primary school, Mufulira, 5 February 2012; Interview with Zambian saleslady at market, Chambishi, 31 January 2012; Interview with Zambian bank employee, Livingstone, 12 December 2011.

[13] Interview with Zambian manager of a Chinese shop, Lusaka, 28 January 2012.

[14] Interview with unemployed Zambian man, previously working for a Chinese mining company, Chambishi, 31 January 2012.

[15] Interview with Labour Union representative, Livingstone, 14 December 2011.

[16] Interview with Zambian asset protector in a Chinese shop, Livingstone, 19 December 2011.

[17] Interview with Zambian waiter at a Chinese restaurant, Lusaka, 17 January 2012.

[18] Interview with Senior Labour Officer, Ministry of Labour and Social Security, Lusaka, 26 January 2012.

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[19] Interview with expert, National Council for Construction, Lusaka, 16 January 2012.

[20] Interview with Zambian mechanical engineer, Chambishi, 5 February 2012.

[21] Interview with Zambian mechanical engineer, Chambishi, 5 February 2012.

[22] Interview with Senior Labour Officer, Ministry of Labour and Social Security, Lusaka, 26 January 2012. Additionally, a small-scale survey in Kamwala market in Lusaka by this author found that a number of Zambian shop-owners pay less than minimum wage to their Zambian employees. Managers of South African owned supermarkets Pick N Pay (Lusaka) and Shoprite (Mufulira) refused to provide information to this author about work conditions of their Zambian employees.

[23] Interview with Zambian roll driver and operator working for a Chinese construction company, Livingstone, 16 December 2011.

[24] Interview with Zambian engineer working for a Chinese construction company, Livingstone, 7 December 2011.

[25] Interview with Zambian technician working for a large Chinese mining firm, Chambishi, 1 February 2012.

[26] Interview with Zambian medical doctor, Mufulira, 12 February 2012.

[27] Interview with President Sata's Deputy Press Secretary, 10 January 2012.

[28] Interview with Zambian market salesman of shoes, Lusaka, 28 January 2012.

[29] Interview with Zambian market sales woman selling sweet potato leaves, Chambishi, 3 February 2012.

[30] Interview with Chinese senior spokesperson of large state-owned Chinese construction company, Lusaka, 19 January 2012; Interview with Chinese engineer of large private Chinese construction company, Lusaka, 21 January 2012; Interview with Chinese restaurant owner, Lusaka, 13 January 2012; Interview with Chinese director of private Chinese construction company, Livingstone, 10 December 2011.

[31] Interview with a Zambian engineer working for a large private Chinese construction company, Lusaka, 25 January 2012.

[32] Interview with Chinese engineer working at telecom company, Livingstone, 27 November 2011.

[33] Interview with Chinese senior spokesperson of large state-owned Chinese construction company, Lusaka, 19 January 2012.

[34] Interview with Zambian owner of shop selling clothes and electronics, Chambishi, 31 January 2012.

[35] Interview with Chinese electrician at large Chinese mining company, 31 January 3012.

[36] Interview with a Zambian engineer working for a large private Chinese construction company, Lusaka, 25 January 2012.

[37] Currently Zambia ranks place 91 out of 182 on Transparency International's corruption perceptions index (2011). http://archive.transparency.org/content/download/64426/1030807 (Accessed: 8 July 2012).

[38] Interview with Zambian journalist working for national newspaper, Lusaka, 6 January 2012.

[39] Interview with Zambian journalist working for national newspaper, Lusaka, 3 January 2012.

[40] Three respondents did not answer this question or answered "I don't know".

[41] Interview with managing director of national Zambian newspaper, Lusaka, 9 January 2012.

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Aravind Yelery
China's transition to innovation and IT market

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China's transition to innovation and IT market

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Introduction

China is transforming from being global factory to global centre for innovation and IT industries. Chinese manufacturing industry was hit hard during the Asian crisis of 1997 and later in 2008 when global recession hit the Chinese manufacturing- based export industry (see Graph 1). The buyers from the developed countries refused to pull the stocks and the manufacturing towns faced harsh conditions (*China Daily*; 2008). Chinese manufacturing industry feeds 100 million of migrant workers. Chinese government had been working rigorously to evade any such catastrophe by pushing a soft skill industry model.

The 'global factory' model faces new competitive challenges as globalization transforms markets for technology and knowledge workers. This has forced China's policy makers and corporate strategists to seek ways to move beyond the 'global factory' model. China's decision to invest in R&D-oriented innovation and policy is an indicator which underlies the growing centrality of IT industry in the Chinese economy. China is leading the electronic information industry and it is trying use the colossal base of IT infrastructure for developing soft skill

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business.

The shock of 2008 financial crisis turned Chinese leaders conscious to carry out structural adjustment to ensure that China is being shielded from any forthcoming financial crisis. In order to do that, China's dependence on manufacturing and it being a prime source of foreign currency was the major block to proceed.

The revival of IT industry is an important measure taken to adjust the industrial structure, that is to say, the development of IT industry has important strategic significance in the development of China's economy in the coming decades. IPR, R&D funding and Education are the three important variables which will determine this transition of China's IT industry. All these three sectors are currently undergoing a drastic facelift.

China's 10th Five-Year Plan (2001-2005) identified software and IT as an important industry which is indispensable to China's economic progress, hence deserving of government promotion, along with more established industries such as computer manufacturing, telecommunications, laser, and aerospace (China Internet Information Centre; 2001). Chinese People's Political Consultative Conference (CPPCC) endorsed the 'New Strategic Restructuring Plan' in 10th Five Year Plan. The plan vowed to readjust the structure of its agriculture and rural economy, continue to beef up the IT industry, develop the service sector and give priority to high-tech industries (*People's Daily*; 2001). The transition was set in motion just before China's entry into WTO in late 2001 (Saxenian; 2003).

Graph 1: China's Monthly Export Amounts (Billion Dollars) Trends and Characteristics of Chinese Transition to IT industry

Source: *China General Administration of Customs*

China's subsequent five year planning highlighted the development of S&T and thereof set to reinforce China's IT industry on a top priority. On 9 February 2006, the Chinese State Council issued the "Guidelines on National Medium-and Long-term Program for Science and Technology Development (2006- 2020)" (State Council PRC; 2006). As per the vision document, by 2020, the progress of science and technology is assumed to contribute 60 per cent or above to the country's development (State Council PRC; 2006: 12). If the plan follows its esteemed development track, by year 2020, China's reliance

on foreign technology is expected to decline to 30 per cent or below (State Council PRC; 2006). The guidelines set 11 major sectors under high priority category until 2020. The industries which came under this priority area includes mining resources, environment, agriculture, manufacturing, communications, transport, information industry, modern service industries, population and health, urbanization and urban development, public security, and national defence (State Council PRC; 2006: 11-12)

So far, IT industry has played a crucial role both in transforming China's industrial economy and in forging a peculiar Chinese model of developing a vibrant high-tech industry. On the backdrop of US-based researcher

International Data Corp's (IDC) (Beijing) prediction that the European debt crisis will worsen, and the decline in Chinese exports will become more pronounced in 2012, China's efforts to diversify its export components are explicable. The IDC report further states that the Chinese IT industry will continue to grow because of the government's plans to boost the high-technology sector during the 12th Five-Year Plan (2011-2015) period. The Chinese IT sector remains a vital area of government's investments (Yannan; 2011).

The Index released by the National Science Board's Science and Engineering Indicators 2010 indicates that the decade-long R&D growth rate of China is consistent. India and China are the two developing countries which are leading in the S&T sector and hold the key to world's technological advancement. As Graph 2 indicates, Asian growth varied from nearly 9 percent to 10 percent for India, South Korea, and

Taiwan to more than 20 percent for China. This clearly indicates that China's R&D spending is rising consistently. Increased public R&D spending designed to support strategic policies aim to raise economic competitiveness through the development of knowledge-based economies (NSB; 2010: O-5).

Graph 2: R&D expenditures as share of economic output of selected countries: 1996-2007
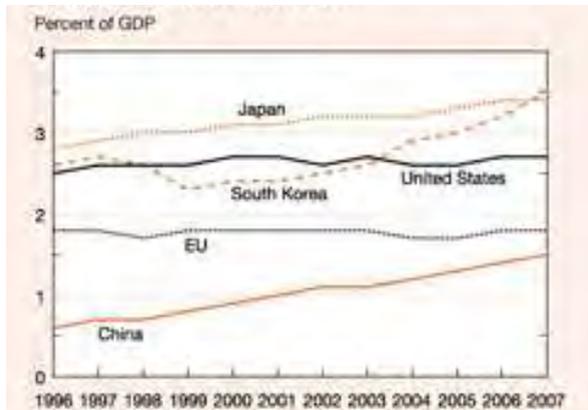
Source: (*National Science Board, Science and Engineering Indicators 2010: 25).*

In 2011, as per the statistics available from Ministry of Industry and Information Technology (MIIT) (Govt. of China), China's fixed-asset investment in electronics and IT rose by 67.7 percent, year-on year. As China's SOEs are undergoing technological uplift the demand for IT recorded a growth of 30.5 per cent year-on-year in the first eight months of year 2011. IT has been identified as one of China's 'strategic

emerging industries' and innovation has been considered critical. In order to achieve this, education and innovation remain key areas where Chinese government is concentrating hard. Nurturing the talent becomes the foremost task. Various ideas were debated on how to make the optimum use of the available talent and plan to create a pool of engineers. 'Strengthening the nation with talent' (*rencai qiang-guo*) was one of the agenda items during China's Eleventh Five-Year Plan (2006-2010). The number of engineering graduates and software-application professionals has grown considerably in recent years (see Section 'Technical Education and Human Resource').

The example of Nanjing expo, which is regarded as the one of the two biggest annual IT events in China, is significant to underline city's plans to emerge as new Bangalore, carving a niche in global software industry. Chinese policies now focus on providing infrastructure, incentives for R&D, and strengthening legal framework to protect the innovative ideas by stringent intellectual property rights and standards.

Policies to protect intellectual property rights (IPR) in China and China's indigenous innovation policies are equally decisive to ensure China's rise in the

IT industry. Recently China's efforts to encourage protection of IPR played a crucial role in "respecting creative work and igniting innovation and a key part in building of a country under the rule of law and credible society. To construct innovation-based country and improve socialist market economy system, it is a must to unswervingly protect IPRs" (*People's Daily*; 2011). It is observed that firms in industries where innovations are patented, have higher innovation

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intensity and are also more likely to be highly innovative. China has been driving the patent efforts rigorously to create a safe market competition. In the 11th Five year plan of China, special efforts were made to raise the effective-ness about IPR in domestic as well as international Chinese industries. Though China's patent system was established in 1985, it reached a momentum since 2000. In the first decade of the 21st century, patent applications in China grew by an average annual rate of 22.3 percent (WIPO; 2010). Graph 3 explains this trend.

Graph 3: Innovation and IPR
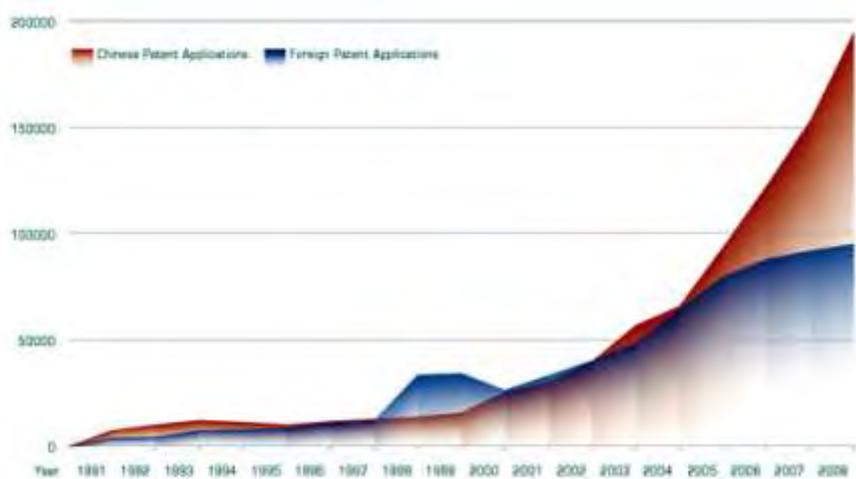
Source: *World Intellectual Property Organization. 2010. Online: http:// www.wipo.int/wipo_magazine/en/2010/06/article_0010.html.*

In 2009, China became the fifth largest user of the Patent Cooperation Treaty (PCT), filing just under 8,000 international patent applications which represents a growth rate of 29.7 percent (WIPO; 2010). As per the data available from State Intellectual Property Office of the PRC (SIPO), domestic valid patents maintain rapid growth and the structure thereof are significantly optimized. With domestic invention patents' share of the total rising from 33.3 percent in 2006 to 45.7 percent in 2010, these valid patents are a strong force to boost China's transformation in to IT powerhouse.

Technical Education and Human Resource

China's higher education is undergoing massive change to inculcate 'Innovation potential' as an essential step in systematic reform. This will be critical for developing the required intellectual capital as well as in laying the foundation for effective collaboration between industry and educational institutions. As per Chinese Ministry of Education's agenda, Higher Educational Institutions (HEI) are crucial in creating a talent pool as well as constructing the science parks, establish high-tech enterprises run by HEIs and combine industry, teaching and research together to turn the scientific and research outputs into productivity. The National Bureau of Statistics (NBS) disclosed in its series report that in 2010, China's higher education institutions of various forms had about 31 million students, about 8 million more than in 2005 and about 1 million more than the planned scale, indicating an increase of 35 per cent (*People's Daily*; 2011).

The school life expectancy in China has progressed consistently. As a result, higher education sector is providing the innovation impetus for

China's fast development. In 2009, the total funding for research in universities was 11 billion US dollars. 70 percent of the winners of 2010 China National Natural Science Awards, National Technology Innovation Awards and National Science and Technology Progress Awards were from universities (Pan; 2011). Thus for China Educational reforms are carried out enabling Innovation led IT industry growth in the country. As per the statistics from the Science and Engineering Indicators 2012 (see Graph 4), number of Chinese students earning doctoral degrees in the field of natural science increased since 2000. As per the statistics available in 2009, China produced third highest numbers of PhD holders in natural sciences. Whereas, China topped the list of doctoral degrees in the field of engineering (see Graph 4).

Graph 4: R&D and Indigenous Innovation policy
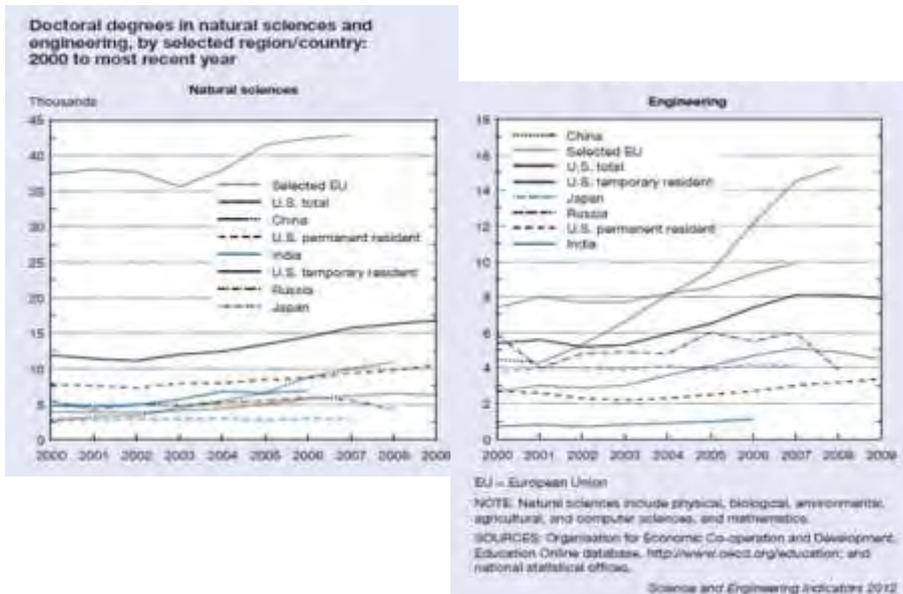
Chinese government is giving special importance to R&D in Science and Technology to increase its presence in China. China is considering reforming the funding programme to encourage more participation in R&D in the IT. As shown in the Graph 2, over the past decade and half, the Central government spending on science and technology development had grown by around 20 percent annually. Given China's growing expenses on S&T, it is becoming necessary to bring flexibility in allocating government funds to researchers and allow them to be used to pursue independent research projects.

In her recent statement at the national conference on science and technology work, State Councillor Liu Yandong, emphasized that China needs to reform funding methods for scientific and technological research in order to boost the nation's innovation capabilities. She also insisted that the management of the government-funded research projects should also be reformed *(Xinhua* 2011). Successful cloning, manned space flight, moon exploration and super-computers in China show the rising Innovation activity and awareness in China as well as the need to continuously and publicly encourage this trend as a key enabler in China's economic growth and competitiveness.

Since 2002, that is years before becoming the part of China's National Medium- and Long-Term Program for Science and Technology Development (2006-2020), the stringent government procurement policies provided security as well as boost-up to domestic IT companies. Although the policies communicating the rationale behind buying indigenous hardware were regulated through state and local policies, in 2006 it officially appeared in the so called landmark document of

National Medium- and Long-Term Program for Science and Technology Development (2006-2020) (State Council, PRC, 2006).

Conclusion

China is changing its development model. The shift is strategic in a sense that it is diversifying export components, upgrading educational parameters, stream-lining the innovation techniques and adopting them quickly. China is building soft skill infrastructure to create a competent knowledge society.

Building an innovation-oriented country is therefore a major strategic choice for China's future development. China is eying to make it the prime component of country's GDP by 2020. As per the recent reports by Ministry of Industry and Information Technology (MIIT), revenues of China's software and information technology (IT) service industry rose 32.4 per cent year-on-year to 1.84 trillion Yuan (292.23 billion U.S. dollars) in 2011 (*Xinhua*, 2012).

This also indicates that China is shifting its target from manufacturing base of high-tech goods to a credible software giant. The report reinforcing this view points out that China's software exports increased 18.5 per cent from a year earlier to 30.4 billion U.S. dollars last year (2010). Another add on factor for China was its domestic consumption, at $8.1 billion in 2009, China's domestic IT services market was bigger than India's $5.8 billion (D'Altorio, 2010). Software and IT business is the best option for Chinese to avoid over dependence on manufacturing industry and as the most effective tool to reduce environmental degradation without affecting standard of living. Not in distant future, Chinese companies would be competing with Indian IT giants to control

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this ever expanding market. China sees bright future for both, its soft skill industry and its overall market share by 2020.

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