Re-Evaluation on China’s Investment in Africa: From the Perspective of African Citizens

Devincy Yanne Sylvaire Debongo¹, Huaqing Wu²

¹School of Management, Hefei University of Technology, Hefei, China
²School of Economic, Hefei University of Technology, Hefei, China

Abstract

China’s investment in Africa has a substantial positive effect on Africa’s economic development and social life. However, various problems and negative comments are exacted by western mainstream social media and speech to disgrace the perfect relationship between China-Africa for their benefits. For an objective and fair evaluation of China’s influence on the investment, this article uses an African’s perspective by using a questionnaire survey to China for investment in Africa politics, economy, culture, and environmental. Aspects of influence on the detailed analysis do research on the public investment project popularity and its improvement, improve China’s comprehensive income for the investment, and reduce the “area” strategy of investment risk to provide a policy basis.

Keywords

China-Africa Investment in Africa, Effects, Perspective

1. Introduction

Traditionally, FDI plays an essential role in economic growth and development in the different countries worldwide, and the majority of FDI in Africa based in a few developed countries such as Europe and the United States of America. FDI contributes positively to the Western Developed countries’ economy and development, so it is possibly beneficial for developed countries. According to these developed countries, sustainable economies, their FDI inflow to Africa, was welcomed and appreciated for African countries’ economic growth and development (UNCTAD, 1995: p. 32). The rapid development of the African continent’s economic growth in these recent years also was attributed to the substantial contribution of FDI from Western Development countries (Senga, Cassi-
Africa countries expect South Africa, were received FDI inflows worth an estimated US$1.887.4 million in 2020. Compared to the one European country (France) this year, it represented US$1.257.6 million of total world FDI inflows (CEIC, 2020).

As known, Africa has tremendous usable resources for investment and trade with China, that is why China’s determination in Africa has been growing in different ways, such as investment, aid, and trade (Alden & Davies, 2006). China’s FDI has an important reason for the African countries to emphasize promoting and attracting FDI inflow that helps sustain and increase Africa countries’ economic growth and development. China’s FDI has grown this earlier year rapidly in the African continent. From 2010 to 2018, China’s investment reached 8.08%, almost double, with 1.15% in 2003 (China Statistical, Yearbook). This FDI inflow in returns will successfully improve the African citizen’s living standard, decreasing the unemployment rate and rapid rate of economic and development integration between African countries and China. China’s FDI plays a vital role in African countries by improving on strengthening the host countries’ ability to act on the opportunities respectively by international economics, which is the principal main of any development strategies (Cho, 2003). China’s FDI brings new production facilities, skills, access to the new technique, which created the new market. Indeed, it also increases innovation and financing new production methods, and it makes the difference between investor requirements and domestic resource accessibility (UNTACD, 2013). Most host countries from China’s FDI through new technology transfer public investment companies, liberalizations of the national regulatory framework, and changes in the financial market (Sharma, 2012).

According to the separation agreement and forum between China-Africa, both of the government decided to sign and accepted the agreements that made and allowed China’s FDI companies’ implementation in Africa without doubt resource-related said by few scholars and authors (Cheung & Qian 2009; Sanfilippo, 2010; Kolstad & Wiig, 2012; Busse, Erdogan, & Muhlen, 2014; Kaplinsky & Morris, 2009; Chen, Dollar, & Tang 2015). This type of relationship requires a fair sharing of both parties’ economic growth and development, uniquely African countries needed. However, the China’s foreign direct investment in Africa has shown another view about Africa natural resource that allows understanding the reason for the China’s companies in this continent by western media who is always against on China’s FDI in Africa (Lum et al., 2009). It also allows knowing the State’s political position to support a regime that gives or signs most of the better agreements in China’s companies’ profit.

Our research paper, based on the specific re-evaluation investment in Africa, focuses on African citizen views of the series of steps that are accomplished. The strengthening of China’s companies in these recent years in Africa aims to keep and accompany all the re-evaluation of China’s investment in Africa. Moreover, if we focus on defining the term natural resource to the satisfaction of maintaining a system supporting life on earth and basic human needs by Fer-
nandez-Fernandez et al. (2014). African countries’ natural resource is the source of problems and always has a positive and negative impact on their exploration by different authors, scholars, and western media (Gui-Diby, 2016). However, we found that all the author’s scholars and media empirical critical interpretation did not prove the total views on China’s FDI in Africa due to the lack of reliable data to confirm their claims.

In this study, we were made a survey questionnaire in Africa that our results showed the positive effect of China’s FDI in Africa, and it was contributed and continue to contribute to economic growth and development in most of the host countries. The rest of the paper prepared as follows: in the second part, we review the literature on China’s FDI, Chinese aid, and trade in Africa. In the third part, we present the history of the present situation and characteristics of China’s FDI in Africa. The fourth part is the survey questionnaire data result. Furthermore, in the fifth part, we conclude and suggest.

2. Literature Review

According to the basic definition of the FDI as the enterprise from one country trying to make a substantial investment in creating or building a factory in another country, FDI plays a significant and growing role in international business. It can provide an enterprise with a new market, cheapest production facilities, access to new technology, product, skills, and financing. Most host country’s enterprises accept FDI, and indeed it can provide a strong impulse to economic growth and development (Otcere, Soumaré, & Yourougou, 2016). In recent years, FDI has given rapid growth around the world and change international investment rules. This issue of FDI is being paid more attention both at a national and international level. However, many papers examined FDI issues and the leading research on the motivation underlying developed by J. Dunning (1973), S. Hymer (1976), and R. Vernon (1966). Some economists thought that FDI is an essential element in all countries, especially in developing ones.

Generally, the Africa continent is where most of the FDI concentrated because of its tremendous natural resources. Those natural resources are considered as the most critical determinant of the Western developed countries’ FDI (Chen, Ma, & Zhong, 2012). Furthermore, this actively interested in the continent predict some theories of the FDI that should use. For example, Cheung and Qian (2009) find that host countries’ natural resources attract Chinese FDI. Buckley et al. (2007) find nothing as a statistically significant effect of a host country’s natural resources on FDI inflows in 1984-1991 but reported significant positive effects years ago of their sample covering 1992-2001. Also, country and industry level studies find the positive impact of FDI on economic growth. FDI continues to multiply a positive effect on domestic employment in Africa. According to Aaron (1999), FDI in developing countries created almost 26 million direct jobs and 41.6 indirect jobs in 1997.

Moreover, Iyanda (1999) obtains the highest estimate for Namibia about 2 to
4 jobs created for each worker employed by foreign enterprises. As known, FDI always boosts wages in most African countries because it pays more than local firms. Asiedu (2004) proved that the foreign firms pay higher wages and the premium ranging from 10% in Cote d’Ivoire to about 130% in Morocco. The study by Ikiara (2003) and said (Gahou & Soumaré, 2012) try to look at how the Africa continent is performing deal with FDI, mainly whether FDI is contributing to growth and poverty reduction. The grounds for FDI and technology transfer are pushing from the African manufacturing industry. Furthermore, the number of studies addressed the tie between FDI and technology transfer in Africa is limited. A paper by Wangwe (1995) covered 6 African countries (Ivory Coast, Kenya, Mauritius, Nigeria, Tanzania, and Zimbabwe); Biggs and Srivasta (1996) covered Ghana, Kenya, and Zimbabwe. The other contains, Hadda and Harrison (1993) Morocco, Gerhenberg (1997) on Kenya, Phillips et al. (2000) on Mauritius, Uganda, and Kenya.

Indeed, we have some doubts about the role of the FDI growth process in the Africa continent (UNCTAD, 2005). Inevitably, FDI brings both parties benefits, which could adequately evaluate the argument of some decisions on the best policy approach that could be approved. The re-evaluation of FDI should necessarily be the country’s determination, and it proposed (UNCTAD 2005: P. 65). Therefore, the domestic fabric is fundamental to determine the exact effect of FDI inflows if positive or negative. Even though we have explored several positive aspects of FDI in Africa, it also has a negative impact that must explain:

● The extortion capital causing economic and social losses affects FDI that most foreign investors took away investment advantage opportunities for the local investor.

● The balance of payments issues as the result of FDI and the area that foreign investors are to be allowed to repatriate profits constitute a massive financial outflow that is supposed to be an exact annual contribution of FDI inflows to a host country balance payment.

● Africa countries are always faced with the enclave economy problems created by FDI.

It is limited to the positive impact in the African countries and advantaging only a small part of the population (Corruption and favoritism) (Isaksson & Kotsadam, 2018). Natural resources and other materials extraction projects contributed to the negative impact on the African continent (Sun, 2002).

At present, FDI plays an essential role in the host country’s economic growth and development, and we all know that African countries needed to improve their life hood situation. Liu Chen and Ge Shunqi (2018) have reported in the short and long term the role of Chinese FDI in Africa’s economic growth and development that can divide into three aspects: increasing capital accumulation in host countries, raising employment levels, and improving infrastructure. As we have known, African countries suffer from insufficient capital accumulation, high unemployment rates, and backward infrastructure. The extensive presence
of Chinese FDI has played an essential role in promoting economic growth and development in Africa. In the paper written by Obwona (2001) for Uganda, a positive relationship found between FDI growths, same as the study by Chen et al. (1995), finds a positive impact relationship for China-Africa. Most of the studies investigating Chinese FDI and its impact on the Africa continent are limited to analytic frameworks. The direct effect of Chinese investments in Africa is that it provides many jobs for the host countries and improves local employment (Leung & Zhou, 2014). In more than 1000 Chinese enterprises in eight African countries, African workers were employed. With more than 300,000 people, about 10,000 businesses across the continent may have added millions of jobs to their host countries. From the perspective of the proportion of the African workers in Chinese enterprises, the surveyed balance reached 89%. Among them, 82% of workers in trade and 95% in manufacturing are local and 92% in Africa in the private sector. This shows the high level of localization of Chinese investment enterprises in Africa (Liu Chen and Ge Shunqi).

Investment by Chinese companies has directly contributed to Ethiopia’s economic growth. From 2004 to 2014, the study’s value-added of Ethiopia’s manufacturing industry grew at an annual rate of 10%. The export of footwear and apparel grew at an annual rate of 38% and 22% (Ministry of Commerce of Ethiopia). Huajian group’s production base in Ethiopia exports up to 2 million pairs of shoes annually, accounting for more than 50% of Ethiopia’s shoe exports, making it the largest exporter in Ethiopia. As of April 2015, Ethiopia Huajian has exported 3.48 million pairs of polished shoes to the European and American markets, earning $44.49 million in foreign exchange. At the same period, it has promoted the development of local enterprises in leather processing, transportation, logistics, and other fields, becoming a successful example of “made in China welcoming in Africa. For low-income and emerging countries, Chinese investment is increasingly spread across industries, and the manufacturing sector accounts for a larger share (Su, 2017). For example, about 400 Chinese enterprises in Kenya cover construction, energy, trade, hotels, and catering (Taylor, 2006). From 2003-2015, Chinese enterprises invested $296 million in Kenya’s manufacturing sector, accounting for 64% of China’s total investment, while Nigeria’s manufacturing sector accounted for 24%. In the Ethiopia survey by the World Bank, the proportion of Chinese enterprises’ investment in the manufacturing industry in Ethiopia is 65.2%, while that in the construction industry is 18.8% and that in the service industry is 15.9%. Private companies, in particular, account for a higher proportion of manufacturing. In Ethiopia and Zambia, private investment in manufacturing has reached 60% and 50%, respectively, many numbers of projects concentrated in labor-intensive manufacturing (Zafar, 2007).

Especially for low-income and emerging countries, China’s FDI has become the primary source of external capital. In countries such as Chad, Central African Republic, the Democratic Republic of the Congo, Ethiopia, and Sudan, Chi-
Chinese investment accounts for more than 70% of their foreign investment stock (Taylor, 2006). Chinese investment in Ethiopia, for example, accounts for 92% of its external capital stock; in the Democratic Republic of the Congo, China’s investment increased from $16 million in 2004 to $907 million in 2012, accounting for 75.5% of its foreign investment stock (China’s Statistical Yearbook). African economic growth and development show that Chinese investment in Africa has increased rapidly and widely distributed in different countries and fields in recent years (Akhtaruzzaman, Berg, & Lien, 2017). Chinese enterprises have become an indispensable part of Africa’s economic development, exerting a profound impact on the host country’s economy and society. McKinsey estimates that China’s manufacturing sector is worth $500 billion a year, accounting for 12% of Africa’s total industrial output. During the summit forum on China-Africa cooperation in 2006 and 2015 in Beijing, reported by (Su Hang), the Chinese government announced its intention to strengthen China and Africa pragmatic cooperation and support African countries’ development of the eight measures, including increased aid to Africa. Preferential loans and export buyer’s credit, set up a China-Africa development fund, built by the Africa Union conference center. The debt-free, free tariffs, establish economic and trade cooperation zone, strengthen human resources development and education, medical and other fields. The Chinese government issued some document rules on China’s policy towards Africa, which clearly stated that it would encourage and support Chinese enterprises in investing and doing business in Africa (Gu, Zhang, Vaz, & Mukwereza, 2016). With the encouragement and support of government policies, many private enterprises have joined the investment in Africa, and the scale of China’s direct investment in Africa has expanded rapidly (Zafar, 2007; Brautigam, 2003).

The concept, model, and method of China-Africa investment cooperation are different from Western developed countries in Africa. The heterogeneous development of China’s investment in Africa has touched the status quo bias of the Western countries in foreign decision-making, that is, the tendency to maintain the status quo (Huang, 2012). Thus, most of the Western countries began to demonize China’s direct investment in Africa unilaterally (Asiedu, 2006). Besides, one of the scholars (De Lorenzo, 2007), the Wall Street Journal, and the New York Times published two commentaries respectively, attacking China’s direct investment in Africa as economic neo-colonialism that makes poor Africa more miserable. Chinese FDI works policy is entirely different from African countries, the way Chinese labor instead of local workers and the Chinese sponsored projects has criticized by the local citizen (Alden, 2005). In this case, (De Lorenzo, 2007) also focuses on the trouble that faced Chinese competition on the African enterprise exports. Most African imported textiles have been forced to close their production factories for the benefit of Chinese companies. Indeed, the challenge is not the only limitation on the competition between Chinese FDI and local enterprises. The study of Anshan (2007) focused on the flow of goods from China, which is the central conflict between labor practices, and market strate-
Contrary to other countries’ FDI, Chinese investment has specific rules of hours’ work expected by Chinese managers that were always causing problems with the local worker’s policy and cultures. Mostly, the company manners to discontent in natives perceive that Chinese enterprises are not contributing effectively to increase local employment and boost economic growth and development. The local communities also faced another problem with Chinese products’ quality, which are the cheapest and better qualities than the local enterprises (Awolusi & Adeyeye. 2016).

African countries are regorging with abundant potential natural resources, and most of the FDI is projecting their plan to invest in Africa. Simultaneously, it contributes positively to the host country’s economic growth and development in the short and long term. Of course, the Chinese government also is the one to focus on it by using its FDI. Cheung et al. (2012) find that Chinese investment in Africa is influenced by the size of the market, political risk, and endowments of the host country’s natural resources. They confirmed that China’s FDI flows into Africa are positively encouraged political stability and corruption. Chen et al. (2015) also said that Chinese investment in Africa and driven by endowments of natural resources-seeking in the host country such as oil, uranium, cobalt exploration in Angola, Congo, and Chad, and the Central African Republic. Sanfilippo (2010) confirms market size and resource endowment as a source of Chinese FDI. He says this is the primary motivation that can attract Chinese economic cooperation projects in Africa. Some scholars also believed that Western developed countries are right against China: China’s main interest is to gain access to Africa’s natural resources to spur its export-driven economy (Smith, 2012, August 1). Africa is used as a source of raw materials, rather than creating jobs and ensuring long-term growth. With the deepening of economic growth and sustainable development in Africa, environmental issues are receiving increasing attention in African countries. China’s mining and infrastructure investments in Africa are directly related to Africa’s natural landscape and environment, making them vulnerable to local environmentalists’ attacks as a negative impact.

In sum, most of the literature review discussed the positive and negative impact on China’s investment in Africa. If we project our reflection on China’s investment, both parties defended their search analysis results. However, they did not touch mainly on the problem that shows the real truth on China’s investment in Africa in these recent years. This presence of China’s investment in Africa is considerable and supportable by most African countries. The paper focuses primarily on the questionnaire survey, whether we have made from April to May 2019, and 37 African countries citizens participated by answering. We found that most of them appreciated and supported China’s FDI in Africa under the project “One Belt and One Road” initiative by Chinese President Xi Jinping in 2013. It brought great convenience to African citizens. It mainly comes from water and electricity, health care, internet communication, increased income
level, and employment for the local employees. From the statistical results, African citizens believed in Chinese investment and said it could positively drive the African country’s economic development and improve local infrastructure. Moreover, some of the respondents said that Chinese investment is mainly of problems and always interfered with the local market order, corruption, tribalism, cultural differences, internal and external political conflict, and environmental pollution.

3. History on Present Situation and Characteristics of China’s Investment in Africa

China-Africa’s relationship was established and began in the late 1950s when China signed bilateral trade cooperation with few African countries (Algeria, Egypt, Guinea, Morocco, and South Sudan). The former premier Minister Zhou Enlai has visited 10 African countries in the meantime 1963-1964. At the same time, China began to make agreements with African countries in trade, economic, technical, and military supports. From 1980-1990, China’s trade volume was taking into account the success of early intensive economic assistance to Africa with $1billion. Simultaneously, to increase the export of industrial products, the Chinese government began to invest in Africa. The investment object is the aid project transferred by the Chinese government to African countries, and the investment mode is mainly joint venture, cooperation, or lease. In terms of the scale investment, China invested $51.19 million in 102 projects in Africa between 1980 and 1990, which was quite a large scale (China Yearbook).

From 1990 to 2000, Africa enjoyed steady and sustained economic growth, and the investment environment also improved. The domestic market is no longer able to meet Chinese entrepreneurs’ ambitions, who are increasingly looking to expand overseas. China carried out reform through foreign aid, and enterprises gradually became the principal investor of China-Africa cooperation. China developed with its African countries through various economic exchanges and cooperation modes, including economic assistance, government investment, economic and trade cooperation, and other mutually beneficial cooperation. The Chinese government put forward a profitable global strategy by advocating for other governments and domestic enterprises to explore the international market. Use of overseas resources and achieve domestic enterprise strategy. The current national development and reform commission, then the state planning commission, drafted a formal investment plan for African countries, which was the first time China set specific targets and feasible plans for Africa’s investment fields, scale, and objectives. This move marks the beginning of China’s strategic transformation in Africa towards the new situation of the 21st century, that is, the gradual transformation from import and export investment and trade with $16.5 billion to resource development investment.

From 2000-2013, China-Africa’s rapid investment trade in the first five months of 2012 with 25.5% of importation from Africa to $49.6 billion.
thermore, the exportation of Chinese machinery, electrical, and consumer goods increased with 17.5% to reach $30.9 billion. Also, China’s investment and trade in Africa have considerably increased, and high investment progression continues to grow. It has excellent potential for future development because of the new cooperation that China and Africa built for these recent years. In 2006, China’s trade was worth $55 billion, making China the second-largest partner to Africa after the United States. China’s foreign direct investment and aid provision in Africa was accumulated at $163.9 billion in the first ten months of 2012 (China Yearbook).

From 2013 to 2020, the direct western investment in Africa was in a downturn, especially the investment from European and American developed countries was declining cause of the new partnership that African countries found and decided to cooperate with China. During the FOCAC forum in 2000, in Beijing, in South Africa in 2015, and 2018 in Beijing, Chinese President XI Jinping gave $60 billion over three years to deal with loans and assistant to the African continent. China’s policy under the initiative of XI Jinping “One Road and One Belt” is to support African factories manufacturing goods for export and building Roads, port railways projects in Africa, and the whole world. Precisely, China’s “One Belt and One Road” initiative is a large and elaborate economic development project to improve cooperation and trade with 78 countries crossing Asia, Africa, and Europe.

According to China’s new situation in Africa, nowadays, China is the fourth most significant source of investment in Africa after the United States, the United Kingdom, and France, and other European countries. Although China’s investment flows to Africa fell by 29.80% in 2016, Africa remains the fourth largest destination for Chinese overseas investment. In Figure 1, we can see that the scale of Chinese investment in Africa is relatively small at the initial stage. However, with the series of initiatives and measures such as the African community with a Shared future initiative, the One Belt and One Road initiative, the China-Africa economic and trade initiative, Africa’s economic growth, and the investment environment continue to be improved. China carried out reform through foreign aid, and China-Africa cooperation was established at the beginning of 1960. Since then, China has established the China-Africa development fund and economic and trade cooperation. However, it should not ignore that despite the rapid growth, China’s investment in Africa still has many stages to grow in terms of the overall layout and volume of China’s investment in the world. Therefore, China’s investment in Africa has excellent development and growth potential in the future.

As we can see in Figure 1, the flow of Chinese investment in Africa from 1990 to 1995 has not significantly, only with a 3% flow investment in Africa. According to China-Africa’s perfect relationship, in 2000, Chinese investment flow increased significantly and considerably with 12% to reach 43.30% in 2018. Means, China-Africa have a real trust of bilateral cooperation, and the cooperation keeps going till now.
China’s direct investment concentration is high but increasingly diversified. Until the end of 2018, China in 54 countries and regions of Africa in Figure 2, the multiple cover activities in the field of investment, and the investment coverage accounted for 86.6% of African countries. Overseas companies set up more than 3400, accounting for 8.7% of the total number of foreign enterprises, mainly in Mauritius, Seychelles, South Africa, Nigeria, Ghana, Uganda, Namibia, Zambia, Tanzania, Madagascar, Angola, Liberia, and other countries. Among them, the direct investment flows to Mauritius was $1198.54 billion up the year-on-year growth. Direct investment flows to Seychelles were $243.62 billion, up year-on-year growth. Furthermore, at the end of 2018, China’s stock of direct investment in South Africa reached $70.64 billion, ranking the third place after Mauritius and Seychelles with the highest stock of Chinese FDI in Africa.

4. Problems Faced by Chinese Foreign Direct Investment in Africa

4.1. Law Enforcement and Corruption in African Countries

China’s investment encountered severe problems in Africa with different causes that made its public and private companies in the problems. Furthermore, according to the investigation of the questionnaire we made in the Africa region, we found that most of China’s companies tried to survive and keep their destiny. Generally, Chinese enterprises are afraid of the law enforcement department in African countries, including immigration authorities, police stations, quality supervisor offices, tax, and customs, because of the highest corruption level and law scandals profit officials in the host country (see Karl, 2007). This behavior situation pushes most Chinese enterprises to put in place the social tradition by using money or goods to solve corruption issues in these law enforcement branches. For example, in Bangui, the Central African Republic’s capital, which has the highest concentration of China’s investment, corruption is the official government’s primary source to make dirty money. In 2017 one of the official governments cheated so many Chinese investors by using his authority power; this kind of phenomenon is not only in the Central African Republic but in most African countries.
4.2. Western Countries Interference China-Africa Cooperation

Since 1960, China successfully established diplomatic relationships with few African countries on the low and mistrust because it was the cold war between America and the Soviet Union. China had no power, even energy, to keep or continue to establish diplomatic relations with the rest of African countries. At that time, China was backward with an underdeveloped economy and weak comprehensive national strength, so it could not influence Western countries’ substantial threat (America and European country). However, the reform and opening-up, China’s rapid economic development started to influence western countries. Because China’s slowly and slowly continue to improve its presence in Africa by establishing new diplomatic relationships with some African countries whose has no diplomatic relation with China. This made western countries in a controversial situation. China-Africa trade-economic and cooperation are inevitably and caused the international community, especially those who invested in Africa and used Africa resources only for their interest since colonization, such as England, France, Portugal, and Spain. Therefore, to keep their interest in Africa, the western countries started to slander China in a full range of restraint. For example, by saying that China is the new motor of the “neo-colonialism” in Africa through public opinion, they accused and continue to accuse China of using Africa natural resources, participate in the vicious competition, disrupting market order and dump interior commodities in Africa. They attacked China by
saying: Chinese public or private investment interfered with African countries by supporting the regime (Corruption) in place (Sandholtz & Gray, 2003). However, China’s government focuses only on FDI to increase some African country’s economy and development. Moreover, most African countries appreciate and ignore what Western countries said because China is not concerned with internal political environment issues. Western countries were shocked and ashamed of the perfect cooperation between China-Africa.

4.3. Increased Political, Social, Economic, Culture, Environment and Security Risks on African Countries

Nowadays, Africa’s political situation is a severe problem that affects most of the Chinese firms in the region, even the local firms’ stability. The political and social security in Africa is worse than before cause of internal agitation between the local army and citizens. Even the rebels from the region countries can participate in barbaric behavior, which are the obstacles to sustainable development.

This domestic political and social instability, coupled with the recent terrorism, has led to precarious political and social security in Africa, which has also created various hidden dangers and difficulties for Chinese enterprises investment in Africa. We have also found the economic issues, which is Africa’s aim, the construction industry is the largest proportion of China’s FDI in Africa. With abundant capital, advanced technology, and rich industry experience, many Chinese engineering contractors have become significant contractors of various large-scale construction projects in hundreds of African countries, however, for the benefit of enterprises and the face of Africa’s imperfect legal system. Chinese enterprises have failed to set an example, assume enterprises’ image through high-quality projects, and engage in vicious competition. For example, some Chinese enterprises got the bid through a low-price strategy to extract benefits by lowering the construction standard and reduced corners on various shameful means of construction, resulting in worrying project quality. A Chinese company once undertook the construction of a sports stadium in Bangui, Central African Republic. However, due to a simple mistake of serious project study exploration, the sports stadium was cracked because the ground could not bear the spectators’ weight. This incident has a terrible impact on the Central African Republic, Bangui, and even in Africa.

Furthermore, Chinese companies are faced with poor communication with residents, which causes many misunderstandings, and most Chinese companies build some large projects involving multiple interests in African countries. They are accustomed to doing things their way, completely following China’s operation mode, and are not good at discussing and communicating with other local stakeholders, such as communities and residents, resulting in many problems. For example, Chinese mineral companies which explore natural resource in Berberati, the Central African Republic, in 2018 with the resident fought, and two of Chinese workers died because of communication and intern conflicts. (The Central African Republic, Ministry of Foreign Affairs). Local citizen thinks
that the resources should use for local, is the local people’s income, and should not be used elsewhere. To this end, the residents carried out a massive demonstration, and gradually evolved into a violent crime time, and caused casualties. A similar case might not have happened if the project’s leaders had promoted the project locally in advance and consulted with residents.

Although China’s investment in Africa significantly promotes Africa’s economic development, just like China’s early economic boom, it inevitably destroys the environment. For example, China’s substantial investment in Africa’s mining industry accelerates the rapid consumption of non-renewable resources such as oil and mineral resources in Africa and then causes a series of environmental problems. Some large hydropower projects rarely consider the negative impact on the local environment and society. Instead of improving the local power supply, they do considerable damage to the local agricultural production environment. For example, in Cote d’Ivoire, precisely in Abidjan/Dabou region, the agriculture environment was spoiled by Chinese citizens who explore by using chemicals. The same in the Central Africa Republic, the Baromata oilfield region, the Chinese oil company in charge of researching the Central African Republic natural resource, spoiled the local agricultural region and put the local people in a bad situation. Same situation on the smallest private Chinese enterprise in mineral resource exploitation in Africa. All these phenomena showed bad and regrettable damage to environmental problems.

5. General Re-Evaluation of the African Citizens’ Opinion Views on China’s Investment in Africa

To deeply understand the evaluation of China’s investment in Africa, we distributed questionnaire surveys in two methods: The first of which was done online. We sent the questionnaire to African citizens by using Email, WhatsApp, and WeChat. The second method has been done offline. In March of 2019, one of us flew to the Central African Republic and spent 30 days distributing the questionnaires in different departments such as the Ministry of Economic and Finance, Ministry of Commerce, Ministry of Education, and Bangui University. Questionnaires were distributed to various businessmen and women, students, retired officials, and unemployed citizens. All participants asked to return their answers to these questionnaires two or three weeks after they distributed. It was not easy to collect all these data because of the time duration, and most African citizens complained of the pages of the questionnaire that is too many. So, we used different methods to convince the participants to reply sincerely in our questionnaire survey. For example, we called or went to the department to explain our questionnaire’s importance or necessity. In the end, we had 107 online questionnaires that were collected and 145 questionnaires collected offline. In total, we collected 252 completed questionnaires.

5.1. Statistical Results and Analysis of the Survey Questionnaire

The questionnaire with the method of online and offline simultaneously, res-
pondents from the following countries: Angola, Benin, Botswana, Burundi, Cameroon, Chad, Central African Republic, Congo Brazzaville, Comoros, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea Bissau, Ivory Coast, Kenya, Lesotho, Madagascar, Malawi, Mali, Mozambique, Namibia, Nigeria, Niger, North Sudan, Republic Democratic of the Congo, Rwanda, Senegal, Sierra Leone, South Africa, Sudan, Tanzania, Togo, Uganda, Zambia, and Zimbabwe. In a nutshell, distribution is pervasive in those countries mentioned above.

According to the survey on the occupation and age of interviewees’ questionnaire in Figure 3 and Figure 4, we found that the occupation and interviewees mainly consist of three groups: government employees 25%, company employees 21%, and students 35%. We also found the smallest number of farmers, 2%, teachers 7%, workers 5%, and businessmen and businesswoman 5%. Also, the age of respondents is variable between 20 - 60 age ranges.

The respondents’ education level shows us that more than 90% of them have a college education or above. Therefore, from the interviewees’ information, we can know that the interviewees are younger and in middle-aged people with higher education who distributed in the government, enterprises, and universities. These citizens must have a deeper understanding of China’s FDI in Africa.
and other issues related to their country’s development. Through the investigation of them, we found that our questionnaire results could be more productive and in-depth.

5.2. Statistical Results and Analysis of the Understanding Questionnaire on China’s Investment Projects in Africa

According to the survey, we performed in Africa by questionnaire, the results collected are depicted in Figure 5.

The questionnaire survey results showed that all respondents asked how much they knew about China’s FDI projects in Africa in Figure 5, 39% answered they heard about China’s “One Belt and One Road” initiative and China’s FDI in Africa. Because of several forums between China-Africa, 19% of respondents familiar with the projects, and 24% knew something about it. According to the statistical results of the occupational distribution and interviewees, most of those who understand well are the official government employees, university professors, workers in Chinese-funded enterprises, and African students studying in China under the bilateral or multilateral cooperation between China-Africa. Compared with ordinary workers, business people, formers, and other groups’ views on FDI in Africa, significantly when Chinese FDI in Africa is multiplying, many African governments set up a relevant department to positively manage these projects. Moreover, the economic management department students’ faculties are also relevant to research learning to understand China’s FDI projects in Africa better. Also, 12% were not familiar with it, but they were interested.

Furthermore, in Figure 6, African citizens have a wide range of channels to learn about the “One Belt and One Road” initiative. China’s FDI in Africa, mostly through the Internet 76%, TV news 64%, magazines and newspaper’s 47%, heard by someone was 39% and 9% only for other, means a different kind of people. So, we found that most African citizens knew a lot about China’s investment and are interested in knowing more and sincerely for their motherland. On the whole, many African citizens have taken China’s “One Belt and One Road” initiative that permits China’s public or private enterprises to invest in Africa.

Since the profoundly bilateral relationship between China and Africa, and the Chinese President, “One Belt and One Road” initiative. China has made great efforts to unite the people worldwide, notably carrying the perfect cooperation between China-Africa and the FDI that will help and build the countries under this project “OBOR” and their joint development.

According to the questionnaire respondents, the African citizens welcome China’s FDI, 51% have complimentary views, and welcome China’s FDI in Africa. 13% were not sure whether they would welcome China’s to invest in Africa, and only 8% were not welcoming and had a negative attitude about China’s FDI in Africa. If we focused on the survey results of the government officials’ employees in Figure 7, they welcomed China’s FDI in Africa for two reasons. In
Figure 5. Familiar understanding.

Figure 6. Source finding.

Figure 7. Welcoming level of China’s FDI in Africa.

Figure 8, it improves the local infrastructure positively; secondly, it drives economic development; in this case, other factors as introducing the new culture and different options make social life easier for residents. Indeed, China invested in Africa to help African countries by building roads, bridges, water conservancy, hydropower, hospitals, schools, and other infrastructures.

Moreover, according to Figure 9, for those official government employees who do not welcome China’s FDI in Africa, worried about China’s public or private enterprises that could interfere with the local market order and environmental pollution that become the main reasons for their reticent opposition. Also, political conflicts and cultural differences are aggravated; this saw that the
influx of most private Chinese enterprises into Africa has a particular impact on the local market order. It does not do good work in environmental protection.

5.3. Statistical Results and Analysis of China’s Investment in Africa by African Citizens

5.3.1. Political Opinion Views
As we all know, China’s FDI in Africa plays an essential role, especially in administrative areas. African citizens have their views that could make a real difference to other authors and scholars.

According to the questionnaire survey on Chinese investment in local areas leads to official corruption in Figure 10. 61% of respondents choose “YES.” Indicated that these investment projects’ corruption is still relatively common and normal for them because most government officials do not care, and some are proud of it. Moreover, 39% said “NO” because they did not think it existed when China invested in Africa. Among these corruption phenomenon situations, the
most common corruption is bribery and unreasonable fees; nepotism; tribalism. In this case, we found the “OTHER” option of corruption mainly refers to the phenomenon of pulling projects through acquaintances and giving kickbacks. To check out if the Chinese investment is the only cause of corruption, we decided to compare China and other countries (European and American countries) about FDI in Africa that is the cause of corruption. The poll found that 61% of respondents believed corruption exists in other countries, led by France at 45%, followed by the United States at 29% in Figure 11. It is the same situation for other countries, such as the United Kingdom, Germany, and the others involved in Russia and Japan.

The main reason is that most African countries, especially the Central African Republic, Chad, and Congo Gabon, which has the most significant number of respondents, are former French colonies, so there are many French investment projects. Therefore, as the number of investments increases, corruption also increases. Except for France, the United States of America and other European countries also have many investment projects in Africa, so corruption is prevalent in these investment projects and increases FDI.

Regarding government officials’ opinions on whether Chinese investment is competitive or cooperative with the other investment into Africa in Figure 12, the questionnaire responded that 49% thought there is severe competition between Chinese investment in local areas and other countries. 32% thought there are some competitions, and only a few government officials thought there is no influence or partnership. The government officials interviewed said the competition comes mainly from the developed western countries such as France, America, and the European countries, which have invested heavily in Africa before China. These countries have been prosperous in making a lot of investments in the host country (Africa). Therefore, China’s new investment came and interfered with many of the projects that these western countries plan to invest in Africa. We can know why there are many negative opinions about Chinese investments in Africa by most western countries, even some government officials or ordinary African citizens. These negative public opinions by western countries’ actions against China and saw as safeguarding its investment in Africa.

However, China’s investment in Africa has an impact on the support rate of the ruling party. 45% of the respondents believed that China’s investment in Africa could improve the party’s support rate, ruling in Figure 13. In Figure 14,
Figure 11. Investor corruption countries.

Figure 12. Views on the competitive relation among government officials.

Figure 13. Impact of investment on support rate.

Figure 14. Phenomenon occur in investment in the western countries.
65% of the respondents believed that phenomenon also happens in European and American countries’ investment. Nevertheless, China’s investment in Africa focuses on economic development. China is trying to promote African social development, improve domestic infrastructure, and enable Chinese investment in Africa to benefit African citizens. Thus, although China’s investment in Africa has some problems and deficiencies, local population satisfaction benefits should be encouraged. Most African citizens welcomed and supported the Chinese government on its acceptable policy to invest in Africa.

According to the survey results in Figure 15, there are many differences between China’s investment and the Western developed countries in Africa. 86% of the respondents said there are differences because they both seek the same things, while 14% believed there are no differences. However, the government officials’ views are different; they thought China does not attach any political conditions for their investments or importune political democracy and freedom, nor do they use debt manipulation of Africa’s economic development. A few African government officials also thought that Chinese investors offer low-interest rates and high completion rates of Chinese projects, as the similarities between Chinese investments and Western countries. Few government officials also believed that China has intentions of resource exchange, economic aggression, cultural infiltration, environmental pollution, and political transactions. However, most of the respondents still believe that China’s investment in Africa helps African countries achieve joint economic and social development with strong cooperation while developing itself, compared with Western developed countries (European and American).

5.3.2. Economy Opinion Views

China’s FDI in African countries significantly helps and improves the continent’s economic growth and development. Most African citizen’s views of the industrial areas are different from that of some authors.

Figure 15. Government official’s opinion views between China’s and Western Countries investment in Africa.
Economically, the questionnaire survey was perfect, and most of the respondents were positive on China’s FDI investment in Africa. Chinese investment in Africa has improved significantly; 48% of the government officials agreed that Chinese investment in Africa has improved. 21% believed that it has no impact because the investment has brought so many changeable environments, social life, and 21% said that Chinese investment had worsened the investment environment, in Figure 16. Most government officials trusted China’s FDI in Africa had improved the investment environment by improving the infrastructure, which is conducive to attracting more and more investors to come to Africa. Half of the government officials always believed that Chinese investment had improved the industrial structure. Simultaneously, a smaller number said it had helped the market improve, stabilize the political environment, and promote the legal system.

Besides, a few government officials said that the Chinese investment had worsened the investment climate and undermined the local legal system and market concurrences. The preliminary analysis shows that Chinese investment involves mining, construction, agriculture, financial services, manufacturing, medical care, and other fields, improving the local industry structure. Simultaneously, the vast amount of Chinese investment, the large-scale projects hosted by the government, allowed many private enterprise investors who participated in most of the aspects of the local economy and market concurrences, added vitality to the local market. Most of the most extensive hydro-power facilities, bridges, roads, business parks, and other infrastructure invested already by China are also permitted easier for other investors. However, few respondents believed that the investment environment has deteriorated, mainly because Chinese investors have worsened market competition, undermined the legal system, disturbed the political environment, and damaged the industrial structure. In precision, so many projects made by China conflict with Western countries, which lead to the tension between the local government and those countries. That is why some respondents thought it disturbed the political environment.

According to the questionnaire survey statistic in Figure 17, 34% of local employees approved that Chinese investment has increased the income levels, 54% of employees thought it has no impact, and 3% thought it had reduced their

![Figure 16. Government officials’ views on China’s investment in Africa.](image-url)
income level. However, the Chinese investors’ payment wages statistical are not higher than European and American investors. Therefore, for comparing China and Western countries, most of the respondents said there was no difference. As for the working environment, from Figure 18, 53% said that Chinese investors’ working environment is worse than provided by Western countries investors. In Figure 19, 77% of the enterprise employees said “No” means most enterprise employees thought Chinese investors do not pay higher wages than Western ones. The preliminary analysis shows that 34% of the local employees said that Chinese investment had increased their income level, the increase mainly caused by the local economic development running by Chinese investment, and the overall income level. In sum, Chinese investment projects have no significant advantages over Western countries in terms of labor conditions, which means there is no significant difference between China and Western investors.

Since China invested in Africa, the social environment has changed, and it can be seen in Figure 20. The advantages of China’s FDI in Africa compared with the Western countries are mainly reflected in such aspects as large investment volume, economic growth, investment diversification, investment adaptation to demand, and improvement of the investment environment. Some government officials thought there is nothing to compare with Western countries’ investment in Africa. Because China’s FDI quality in Africa is high, promoting industrial transformation, not interfering with the local market order, improving employment rate, raising the income level, and protecting industrial safety. According to the Chinese president project “OBOR” initiative, China’s FDI in Africa has multiplied rapidly, and the investment increased substantially. Moreover, most industries invested in different projects such as construction, energy, service, medical care. In terms, China’s FDI in Africa has adapted to the reality of African countries’ needs.

5.3.3. Culture Aspects Opinion Views
Undoubtedly, cultures should be respected everywhere in this world. The results of the survey on views from African citizens on the cultural aspects are shown below.
Cultural problems are everywhere, and every culture is different. When faced with a different culture, that culture approached with respect. In the survey of the questionnaire in Figure 21, 63% of employees asked whether their lifestyle was changed by Chinese investment during the project’s execution. In Figure 22, the change comes from chaotic work life, increased workload, heavy workload,
long working hours in scorching climate, poor working conditions, and conflicts between working hours and local holidays. As we know, Chinese people often work hard and harder because of their culture, and this can make a big difference; it is common to work long to complete tasks. On the contrary, African citizens generally admire freedom and love enjoying life, so they feel very uncomfortable with the Chinese working conditions method.

Contrary to Western countries’ investors that could see in Figure 23 and Figure 24, Chinese investors do better in Africa’s acculturation during a different period of project realizations. They mainly reflected in the Chinese investment group the excellent and honorable respect for the local religious beliefs, their active learning of local culture and communication with local people, and the respect for local living habits. Also, Chinese investors always feel comfortable when they are together with the local people for the local people, so the lifestyle between Chinese people and African citizens is peacefully and harmonious.

5.3.4. Environmental Aspects Opinion Views
According to some African citizens, China’s FDI in Africa has not brought dynamic change from life hood or economic growth and development. It also caused environmental destruction, such as the extinction of rare species, air and water pollution.

According to the questionnaire survey in Figure 25, air quality, water quality
Figure 23. Chinese investors respected the local culture.

Figure 24. Culture adaptation.

Figure 25. Environment pollution opinions.

and water treatment, land quality, noise pollution, vegetation, and biological aspects, most people choose “No impact” and “Deterioration.” The previous analysis shows us that many Chinese enterprises in Africa built factories, especially in the construction, mining, and energy industries, which lead to air pollution problems such as petrol exploration fuel combustion and massive dust emission. Chinese investors had significant water quality and water treatment, mostly in small private enterprises such as chemical and food enterprises. Moreover, the land is also on it. When China invested in large-scale projects, such as hydro-power stations, it considerably needs a large amount of land area, so it needs to occupy a large amount of agricultural land that will impact the future of local agriculture. Noise pollution can cause problems for the residents by using heavy machines for construction. In terms of vegetation, some enterprises from China
need a large demand for woods and the results of excessive forest exploitation, which harm local vegetation. Concern the biological front, some Chinese companies used to have overfishing in the river, sea, or lack in West Africa that was helping to reduce the famine, so Chinese investment in Africa does not have a severe impact on the local environment. However, because of no knowledge of it, African citizens do not feel the consequences, and the destruction of the environment exists. People should pay attention to it and use it to protect the environment.

6. Conclusion and Suggestion

This summary can only illustrate the projects’ illustration selection and concise synthesis of some critical points between China and Africa’s relationship. China’s expanding global role in Africa and its growing direct investment and economic cooperation overseas attract attention and analysis. Chinese aid (Direct investment) in Africa and its economic cooperation are more and more broadly explicitly focusing on China’s investment in single projects or sectors in Africa countries. However, the bilateral cooperation between China and Africa consists of aid or investment larger than the multilateral aid. According to the survey questionnaire on China’s investment relationship and economic cooperation with Africa, we found that the opinion views of African citizens are different. Most of the answering is positive because of the excellent relationship between China and Africa.

However, China’s investment in Africa also produces many apparent problems. For example, the intense competitiveness of Chinese enterprises will crowd out some local enterprises. Chinese investment companies’ labor standards in Africa are vague, and in many ways, they fail to protect the rights and interests of African workers. In terms of environmental protection, Chinese enterprises are faced with local solutions. Some Chinese enterprises do not abide by international standards, such as the equator principle and extractive industry transparency plan, in energy investment.

Geographically, the African continent has 54 countries, and all these countries have different leaders with different political ideologies, and the survey questionnaire could not represent every region in Africa. It can appear some deficiencies of the region under the Chinese president “OBOR” initiative to improve African countries’ economic development and social life. In terms of the discussion, we suggested that the Chinese investors and enterprises with their investment engaged in investment activities shall abide by the law and regulation and may not endanger the country’s security or harm public interests. African countries should establish and improve the service system for foreign investment, providing consultation and services laws, regulations, policies and measures, and information on investment projects for foreign investors and enterprises.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.
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