

Development for whom? Narratives on the impact of Chinese involvement in Angola



Master thesis in geography

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Spring 2009



Acknowledges

I would like to thank my supervisor Arnt Fløysand at the University of Bergen and secondary supervisor Arne Wiig at the Christian Michelsen Institute. Your insights and useful advices were of great help and inspiration during my work on the project. I would also like to thank Håvard Haarstad at the department of geography at the University of Bergen. Your help gave me new insights which I have found very constructive for my thesis. You have been a great source of inspiration during the work on this thesis. I will also thank Arnt Fløysand for financial support for my flight tickets to Angola, and CMI and Universidade Católica de Angola for support for my visa

I would also like to express my special gratitude to Åge Skagestad and Norwegian People's Aid in general. My fieldwork would not have been possible without your kindness and hospitality, Åge. Thank you very much for opening your home for me!

I would express appreciation to all my informants during the fieldwork. In particular I will mention Tako Koning, whose friendly and generous way of being was a great source of inspiration, and helped me get in touch with numerous interesting persons, and Anna Johansen and Euzinio Santos for including me in the tradition of '*Matkveld*' and inviting me to go to Benguela with them. I would also like to thank all the other people I met in Luanda who welcomed me and made my five weeks there to a very nice experience.

I would thank all my fellow students and friends during the years in Bergen for constructive discussions and help in my studies. A special thank goes to Nina Holmelin, whose insights in geography have been a great source of help for me during my fieldwork and writing process. I will also like to mention Halvor Thengs, Espen Løken, Kristian Svanes, Christian Kartnes, Jermund Hegdal and Kaja Killingland who helped me with proofreading and good advices. Thank you all very much!

Lastly I would like to thank Kristin for all support, patience and help these last eight months. Your positive words have helped being able to keep the motivation up, and been essential for me to be where I am today.

Bergen, 15 May 2009

Bjørn Erik Løken

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1 Introduction chapter

1.1 China's engagement with Africa

The global focus on Africa may be said to have increased the recent years. Both politicians, researchers and media seem to have started focusing more on Africa as a resource, and less as a zone of everlasting conflict (Dagsavisen 20 Oct 2008). During the Cold war several African countries were under Soviet influence, but in the years thereafter Africa has been seen mainly as under Western influence sphere. This situation is arguably changing, and the last decade has brought large amounts of literature on the increasing Chinese presence in several African countries. Media has become aware of the rise of China, and headlines such as “*A dragon at safari*” (Ny Tid 03 Feb 2006 – my translation), “*China's imperialism in Africa*” (Aftenposten 27 Dec 2005 – my translation) and “*China invades Africa*” (Stavanger Aftenblad 06 Feb 2007 – my translation) have been common in Norwegian newspaper the recent years. China has risen to be a major trading partner, political ally and source of loans for numerous African countries (Melber 2007:6-7). As Manji and Marks (2007:89) puts it: “*Whereas British Prime Minister Tony Blair and Bono see Africa as a ‘scar on everybody’s conscience’, still troubled by their historical guilt of the slave and colonial era, the Chinese see Africa as a business opportunity.*”

Large parts of the Chinese involvement in Africa are kept undisclosed, and the impact of their achievement may be hard to see due to the short history of China as an important participant in Africa. However, the large amount of natural resources China has gotten access to during the recent years, and the rapid construction and renovation of infrastructure which Chinese companies are involved in display clear evidences of China's new position as a major player on the African game board. This new situation may support a change in the position of African countries within the global flow of resources (Dagsavisen 20 Oct 2008). It may also suggest a change of China's position in this global flow.

The debate is heated as to whether the Chinese involvement is positive or negative for Africa's development. While several positive sides may be found, many see the Chinese as yet another imperialist. An example of this was the violent demonstrations in Zambia in 2006 as a result of the negative feelings toward China (McDougal 2009:70-74).

The debate on whether China's engagement in Africa contributes to a positive or negative development in Africa is heated, and this shows the importance of this project. This thesis will inform the debate by studying narratives on the Chinese involvement in Angola.

There are several good reasons for choosing Angola as the subject of my research. Angola has risen to be China's largest trade partners, and one of the most important allies in Africa. Therefore, the country is an interesting example of China's influence on the continent, and an obvious choice as a case study of the presently changing power relations in the world. The Angolan oil is of immense strategic importance for China, and China has a stronger and more dominant position in Angola than in many other African countries.

While analysing the existing narratives, I will study how they are used for defending interests and making political strategies. In other words, the thesis will study the relationship and interaction between the narratives and the practice on the Chinese impact in Angola, and see how the narratives both enable and constrain the Chinese involvement, while producing and reproducing social structures. This will give explanations on how, and why, China gets access to Angolan resources and markets.

1.2 China's engagement with Angola: different point of views, same subject

Angola is among the countries where the Chinese involvement is most evident. In Angola, the Chinese involvement is most clearly seen in the infrastructure sector where Chinese companies are involved, *inter alia*, in the reconstruction of the railroad network, massive highway construction, and the planning of a new international airport near Luanda (Alden 2007:67-68). China has risen to be a key source of credit for the Angolan government, while simultaneously becoming one of the major customers for Angolan oil. Formerly an enemy during the civil war, China is now seen as one of the closest friends of President José Eduardo dos Santos and his MPLA-government. This illustrates the swiftly changing position of China in Africa.

To get a limited overview of the representations of China in Africa, I will line up some of the main statements of the official Chinese African policy (Ministry of Foreign Affairs of the People's Republic of China), as well as some of the arguments of those negative to the Chinese involvement, as stated by Professor Helge Rønning from the University of Oslo.

Thereafter, I will turn to my findings during my fieldwork in Angola, and show how the debate seems to be more modest in Angola than these extreme points.

In a feature article in Dagbladet, Erik Solheim (24 Sep 2006) wrote that in the context of China in Africa, China is often described as a superpower, whose only interest is to satisfy the country's thirst for oil, with no interest in the inhabitants of the country of origin of the oil. Further, he wrote that these representations describe a situation where African producers, goods, and business men are outdistanced by cheap Chinese imported articles. He states that this is not a complete picture of the Chinese engagement, as the situation is more nuanced. I agree with Solheim that the situation is nuanced. However, the most critical opinions I have found during three years of interest in this subject has been from media looking for conflicts and sensations. The academic works on the Chinese engagement are more nuanced than these.

1.2.1 The official Chinese position – the friend

The official Chinese Africa policy emphasise the shared experiences of Africa and China versus the Western world, and present the Chinese involvement in Africa as primarily a South-south cooperation, with few negative sides. Except demanding support for the One China principle, China presents cooperation with no interference in domestic matters. The main principles said to guide China-Africa exchange and cooperation are “*sincerity, equality and mutual benefit, solidarity and common development (...) mutual support and close coordination*” (Ministry of Foreign Affairs of the People's Republic of China)

1.2.2 The critics – the imperialist

In the Western world In Norway one of the most notable critics of the Chinese involvement in Africa has been professor Helge Rønning. In Aftenposten (04 Oct 2005) he claimed that China uses its superiority over poor African countries to establish long-term influence and economical control, access to Africa's resources, and access to the African markets for Chinese goods. In Aftenposten (30 Sep 2006), he stated that it is necessary to see China's role as traditional imperialism, and claims that what we see in Africa presently is inter-imperialistic rivalry.

1.2.3 A more nuanced debate

Øyvind Eggen, researcher at NUPI, does not agree with Rønning's view. In Sep 2008 he was cited: "*It is strange how many of us interested Westerners, who in particular are opponents of imperialism, are provoked by China. A large part of our critique deals with China's non-imperialism or non-involvement*" (The Norwegian Council for Africa 11 Sep 2008). In a book review Tak-Chuen (2008:450) shows how Manji and Marks (2007) attempt to respond to what they see as the domination of north-centric discourses where China is seen as a threat and new rival to the Western economic and political hegemony in Africa.

During my fieldwork I could not see as evident conflict lines such as the ones mentioned above. While some of the Angolans I talked to feared the consequences if the Chinese entered sectors now dominated by Angolans, they presently saw more positive effects of the Chinese involvement than negative. There were voiced concerns regarding the development effects of the Chinese venture as there are limited transfer of technology and knowledge. Some also criticise what they see as a wrong focus of the Angolan government as to which sectors should be prioritised. However, more often than not the positive effects of the reconstruction of infrastructure and public services were praised. Primarily, the motive was understood to be access to Angola's oil resources. However Angola's position as an influential African country was also mentioned by several of my interviewees. The Chinese I interviewed also included a focus on the ideas of South-South cooperation and mutual benefits.

1.3 Research questions

1.3.1 Main research question

The main research question for my thesis will be "*How is the Chinese involvement in Angola experienced to affect the development in the country?*" As I understand the Sino-Angolan relationship, its main fundamentals are political and economic cooperation. China is an important ally of president dos Santos and his MPLA government. This adds a clear political dimension to my project, in addition to the already mentioned economic cooperation.

1.3.2 Secondary research questions

To cast light on my main research question I will use two secondary research questions, contributing to our understanding in different ways. The first question is: *What characterises*

the Chinese engagement in Angola? This will become the descriptive part of my thesis, describing the empirical context of my research. By answering this question I hope to map the rich variety of different kinds of Chinese involvement, and to examine how the different parts of the Chinese engagement are interrelated. I aim to explore the connection between the political and the economic dimensions of the Chinese engagement. To answer this secondary research question I will mostly rely on written material.

It would be of particular interest to investigate relations between the Chinese oil interests and the other Chinese involvement. While several of my informants told me that such a relation existed, few had any form of evidence. The lack of information was a major challenge for my thesis. As the formal channels of information are poor, rumours have good conditions. It was also difficult to get in touch with Chinese representatives, which implies that I will have to rely on already written material to get their point of view represented in my analysis. My approach for an interview with representatives from the Chinese embassy was politely rejected, but at least I got an Olympic pin as a memory of China.

My second secondary research question will discuss the subject in a more theoretical way. *How is the development impact of the Chinese engagement in Angola narrated by important developmental agents?* This is the part of my thesis that differs most from the existing literature on the subject. In this section, I will analyse my findings from the fieldwork I details. I will display the different existing narratives, and study the relations between them. I will see if there exist fronts, and look for patterns. I realised during my work with this section, that hard fronts were not easily identified in Angola. While different opinions to the Chinese involvement obviously do exist, none of my informants directly opposed the choice to involve China. Therefore, I will analyse the different and similar arguments within the discourse, and look for the underlying fundament.

My third secondary research question is *What type of development does the Chinese involvement represent?* This research question will not be analysed as thoroughly as the two former. However, lines between the fieldwork analysis, the context chapter, and theory chapter will be drawn in the conclusion, and through these lines the last secondary research question will be discussed.

1.4 Motivation

1.4.1 Theoretical background

China's increasing involvement in Africa is obviously a rather new subject of study. Still, lots of work has been done recent years. Much of this work is either quite anecdotal or too generalising, as it is hard to generalise the Chinese involvement in Africa as a whole. While there are several authors who try this, I will argue few of them succeed.

When concentrating on Angola, the most relevant articles the recent years are Vines and Campos (2008), Ferreira (2008) and Corkin (2008). As the Sino-Angolan relations are steadily developing and increasing it is challenging to keep updated. I chose to involve media to a large degree to solve this situation. I found this to be a very useful choice for my thesis, as I will come back to during my methodology chapter. In addition to keeping me updated on the recent development in the Sino-Angolan relations, I found very interesting opinions represented in media statements, and this added interesting aspects to my analysis.

During my research on the subject of China in Africa, I realised that there is a lack of studies on the local perceptions on the Chinese involvement. Most often, the focus has been on the context of economics and high-level politics, while the grassroots level has been somewhat neglected. Manji and Marks (2007:vii) supports this, stating that much of the commentary on China in Africa focus on how Western capital's interest might be affected or on denouncing China for practices such as support for dictators, destruction of the environment, exploitation of resources, and disregard for human rights. According to the authors, African analysts and activists are long forgotten (*ibid*).

1.4.2 Empirical background

The rise of China challenges the unipolar world dominated by the West and the capitalism seen after the end of the cold war. Africa, in particular, has been dominated by the West during the last decades. The economic paradigms represented by the International Financial Institutions (IFIs), such as The World Bank and the International Monetary Fund (IMF) have been hegemonic, and politically and economically, Africa has been out of focus after the end of the Cold War. Currently, this situation seems to be changing as Africa again becomes a continent of interest (Melber 2007:6-7).

After achieving peace in 2002, Angola rapidly improved its position in Africa. The many resources in the country provided a flying start for the government, and the economy is now growing steadily at rates of almost 20 percent each year. The Chinese involvement in Angola is easily noticed by the country's inhabitants, because a large of the involvement is in the public infrastructure sector. I experienced that most people living in Angola had clear perceptions about the Chinese involvement in Angola. Not all of these were very well founded, but Angola nonetheless represents a very interesting case study of the narratives on the Chinese involvement in Africa, precisely because the results are so visible.

In addition, Angola is of great in a Norwegian context. Norway has an embassy in the country, and for many years StatoilHydro has been involved in the Angolan oil sector. Angola is one of the main target areas for StatoilHydro and is the largest source of oil for the company outside the North Sea.

Lastly, the Norwegian People's Aid (where I have been a member for several years), has been represented in Angola for several, and this contributed to my interest in the country. Accordingly, when the opportunity arose, I also had personal reasons for doing my fieldwork there. Another important factor was that I was able to get some contacts in the country before I travelled there through Norwegian People's Aid, Christian Michelsen Institute and StatoilHydro.

1.4.3 Methodological foundation

Usage of the narrative concept is a useful way to study the Chinese entrance to the African continent. It has already been successfully used to study disputes in a globalising world. Accordingly, to introduce it to the debate regarding China in Angola informs the existing knowledge about China in Africa.

There has been produced several written accords concerning the Chinese entrance to Angola, as will be shown in the context chapter (chapter 4). Based on text analysis and the fieldwork in Angola in July/August 2008, the thesis will analyse how the narratives on the Chinese impact influence the actual development impact of China in Angola. The actors who form these narratives will be mapped, and the foundation which the narratives are based on will be

analysed. Further on, the thesis will investigate why some of the existing narratives have been able to dominate the policies, while others have been marginalised. By studying this situation in a narrative perspective, I reach my goal of doing a study that contributes to the understanding of the changing power relations appearing as a result of the emergence of China as a modern superpower.

1.5 Structure

The thesis is divided into six chapters, each covering different aspects of the subject.

Chapter 1) Introduction

Chapter 2) Theory chapter

This chapter will present relevant theory for the thesis. The chapter will start with a discussion around discourse theory, and show how this can be used to understand the concept of development and different development strategies or theories. The last part of the chapter will put the development concept in a larger international perspective by taking a short look at concepts such as international division of labour and globalisation. This is to give a better general understanding of how the Chinese involvement in Africa is a sign of changing power relations in the globalised world.

Chapter 3) Methodology and the fieldwork

This chapter consists of two parts. The first part will discuss the methodology of this thesis, i.e. narratives as a strategy of using the theoretical framework to study the Chinese involvement in Angola. The second part will describe my fieldwork. In addition to technical details I will argue for the decisions made before, during and after the fieldwork.

Chapter 4) Context chapter

This chapter will discuss the secondary research question number 1 – *What characterises the Chinese engagement in Angola?* After a short overview over China's African relations, the chapter will present the history of Sino-Angolan relations. Thereafter, the chapter will map the different sorts of Chinese involvement in Angola, from political cooperation, via credit lines and trade to infrastructure projects and oil investments.

Chapter 5) Fieldwork analysis

This chapter's aim is to map how the development impact of the Chinese engagement is narrated. It will discuss the second secondary research question: *How is the development impact of the Chinese engagement in Angola narrated by important developmental agents?* To do this, my fieldwork findings are organised in a contextual setting discussing the way the Chinese involvement contributes to the development in Angola.

Chapter 6) Conclusion

This last chapter summarises the findings in the foregoing chapters, thereby answering the main research question: *How is the Chinese involvement in Angola experienced to affect the development in the country?* It will also put the findings in a larger theoretical context discussing how the findings relate to development theories, and whether the Chinese approach represents something new in the development discourse.

2 Theory chapter

2.1 Introduction

My theory chapter mainly consists of three parts: development theory, discourse theory and global network theory. I understand these three sorts of theory to be related, and I will use them all in my analysis of narratives on the development impact of the Chinese involvement in Angola. My analysis will both debate how the development consequences of the Chinese involvement in Angola are narrated, and how these narratives relate to the theoretical framework outlined in this theory chapter.

The first part of this chapter will discuss the concept of development. I will show how the traditional understanding of development has been criticised and rejected, and I will discuss new ways to understand development. I will show how elements of discourse theory, such as the concept of narratives may help us to better understand development and various strategies used to achieve development. I will by this bring the necessary basis to discuss development in my thesis, in form of a broader understanding of what development is and how the concept has been used. The final part of this theory chapter will put the discussion of development in a larger perspective, involving global network theory, division of labour and globalisation. This is to better understand how regional development relates to globalisation, international division of labour and global networks. When discussing Angola's development and the Chinese involvement a global framework is necessary, as I will show in my context chapter. In addition the changing position of China in the world production hierarchy cannot be understood without understanding it in a global context.

I will use the term *Third World* in my thesis as describing the developing countries in of the world. This concept is a part of a post-World War II-division where the Western world was labelled the First World, while the communist bloc became the Second World. Both these terms are extinct today, while the Third World – apparently most African, Latin-American and Asian countries – is still used in daily speech without questioning the validity of the term. The concept has legitimately been criticised for having obvious scarcities, as the dissimilarities within the Third World are as many as the similarities.

2.2 Development

Development is a concept for which there exist an infinite number of different definitions, yet it seems hard to find objective standards which all can agree on; and even harder to agree on how to reach these. My thesis will touch this seemingly endless debate, and discuss both different theories on how to achieve development, and later discuss the concept of development more in detail, and see how some radical authors have criticised the traditional understanding of the term, some even rejecting it in total. I will debate how discourse theory can be used to understand development, and I will see how the discourse of development can cast light on new sides of this controversial concept. I will later discuss how the development theories can be understood as *narratives* within the development discourse, a way of classification I will later use in my analysis to study if the Chinese involvement in the Third World may be said to represent a new path to development.

2.2.1 An objective standard of development?

Finding an objective standard of development seems impossible. There will always be someone deciding which aspects one should count, and how one should value the chosen ones. Most people will have a somewhat unclear idea of how to understand development, but to get a clear definition is hard. According to Benedicte Bull (2003:299) development has traditionally been understood as economic growth, industrialisation and modernisation. During recent years the opinion about what development means has changed, and Potter et al. (2004) points out how development can be understood in several ways. Depending on whom you ask you can get interpretations such as economic growth and progress, sustainability, good governance or better living conditions. Others would maybe associate economic growth with increasing differences between rich and poor, rich countries dominating poorer ones, or maintenance and renewed economic, social, political and cultural rankings (Potter et al. 2004:4-5). Among the most common ways of measuring development are ranging by GDP per capita and the human development index (HDI) published by UNDP. The latter measures GDP per capita, health services and level of education, and creates a score based on these criteria (Potter et al 2004:8-11).

As we have seen development can have different meanings depending on who you ask, and the debate on how to achieve it is a sharp one. In addition, the traditional understanding of the concept of *development* has been put under scrutiny during the recent years. The so-called

“*new*”, “*alternative*” and “*another*” development strategies, have lead to an expansion of the development concept beyond the limits of pure economics, but the basic development paradigm remains.

The very concept of development are, however, still indeterminate, hazy and hard to pin down. Some see development as a process and others see it as the goal of that process. Even though the reigning economic essentialist view on development and the theoretical models underlying these are often presented as objective and value-free, it is not a natural category, and there are obvious power relations in the debate. In essence the development strategies presented are based on Western values, history and experience (DuBois 1991:1-2).

2.2.2 Development as narratives

I will use the concept of narratives to answer my research questions. Emery M. Roe (1991:288) describes narratives as stories or arguments that differ from other notions more familiar to the development practises such as ideologies, myths, and conventional wisdom. Narratives include a beginning, middle, and end – or premises and conclusions. They revolve around a sequence of events or positions in which something typically happens or from which something follows (ibid).

Development narratives are less normative and hortatory than ideology, and, more than telling about what should happen, they tell about what will happen – if the events or positions are carried out as described. They are more programmatic than myths and aim at getting their hearers to believe or do something. The development narratives are also treated as if they contain some general explanatory or descriptive power (ibid). Development narratives may be understood as caricatures of reality, and actually there are no other demands for them than being simplifications of developmental complexities (Roe 1991:296)

Among the more famous development narratives within the rural sector are ‘the tragedy of the commons’ and the narrative that land registration will lead to increased agricultural productivity (Roe 1991:288,290). In a follow-up article, Roe (1995:1065), mentions the narrative ‘Except-Africa’ – that everything works except in Africa, and the ‘Doomsday Scenario for any country in Except-Africa’ – that one crisis after another are threatening to lead to ruin for the country. By generating and upholding the crisis narratives, technical

experts and managers claim rights as stakeholders in the land and resources said to be under crisis. The more crisis narratives generated, the more the techno-managerial elite appears to have established legitimised claims over the resources under crisis. The very *raison d'être* for the techno-managerial elite seems to be those crises, and therefore this development narrative is upheld (Roe 1995:1066-1068).

Thereby Africa continues to be a continent where one journalist's visit is enough to 'understand' everything. One eroded hill describes a government totally indifferent about desertification and one half-completed classroom is an irrefutable sign about declining national self-reliance. People continue to ask systematically misleading questions, securing the position of the techno-managerial elite, by pulling us in a direction where nothing will be done without them (Roe 1995:1066-1068).

Many of the scenarios and arguments that drive and sanction development are often dismissed as myths, ideologies, conventional wisdom, or fads. Still they have an ability to persist through time, even despite evidence learned in the field. Instead of rejecting these development blueprints in full, one should examine them thoroughly, searching for ways they can be improved or superseded. Such a learning process approach seems better fitted to study development, than a traditional process where what is called 'failures' are rejected instead of used to find a better solution (Roe 1991:287).

The preconditions for successful project and national planning are the same as the determinants deciding our ability to better learn from experience, namely low environmental uncertainty, stability in goals, and redundant resources. All these preconditions are unfortunately often lacking in wide parts of the Third World. If things seem uncertain on a micro-level, the level of uncertainty at the macro-level increases simultaneously. Broad explanatory narratives are required to operationalise this uncertainty to standard approaches with widespread application. When these fail, new narratives that aim at accounting for the increase in uncertainty must be designed, instead of letting the unsolved failure of the development narrative reinforce the uncertainty (Roe 1991:287-288). Through manipulation of the original development narrative, creation of counter-narratives better suited to describe the situation, or modifying the old narrative in order to reach a better narrative, should be our aim (Roe 1991:296).

Some development narratives will over time cease to be narratives and become what Roe (1991:296) labels 'plausible assertions'. Plausible assertions are development narratives that, due to long experience and observation, can be justified as applicable to a site. According to Roe (1991:296), the most well-known plausible assertion within the discipline of rural development is the scenario that road construction in an area can greatly facilitate the surrounding economic growth. While this assertion cannot be generalised to all developing countries or to all regions within a country, it is reasonable merely as a result of the vast amount of knowledgeable people defending it. The assertion cannot always be tested satisfactorily, and it is not based on a traditional sense of learning based on trial and error (Roe 1991:296).

2.2.3 The rise of underdevelopment narratives

According to Escobar (1984:377-378, 384-385), underdevelopment emerged as a concept just after World War II. Before 1945 minimal interest was actually given to the progress within what was going to be known as the underdeveloped world, but during the latter half of the 1940s the first development missions emerged – namely the International Bank for Reconstruction and Development's "*comprehensive*" development programs, development-concerned NGOs and the abundance of emitted "*experts*" in all types of development fields. Astonished by the success of the Marshall Plan, the rich countries saw it as almost inevitable to secure their brand of progress all over the world. Poor countries will eventually become rich countries, as will the underdeveloped world become developed. By adopting the right strategy one would ensure universal progress and global happiness (Escobar 1984:385).

According to critical radical authors 'underdevelopment' is used by the Western world as a neo-imperialistic tool to dominate the developing world. Arturo Escobar shows how the works of Foucault argues for an extension of Western disciplinary and normalising mechanisms to the Third World, as well how the Western world produce discourses about the Third World as a means of effecting domination over it (Escobar 1984:377-378). The concepts of development and underdevelopment have been said to be elements of such a strategy. DuBois (1991:26) sees them in essence as neo-colonialist tools, institutionalising power relations and hierarchies attached. According to this traditional line of thought, development is defined as what we have got in the West (DuBois 1991:2). In other words underdevelopment in this matter means lack of Westernness.

The term is used as part of a strategy contributing to the contentious domination and economic exploitation of the Third World (DuBois 1991:2). To pursue a type of development more suitable to Third World countries' needs the countries must dismantle this reigning discourse. By swallowing the normative character of the Western development paradigm, one accepts one single manner for how to judge development. As such, factors which could put the Third World higher on development rankings are ignored (DuBois 1991:25). Examples of such factors could for instance be treatment of the elderly, family ties, suicide rates or happiness. Other factors have, however, been decided to determine development.

Illustrating with Foucault's example of madness, where it is shown how the techniques and procedures of exclusion of the mad were of benefits to the bourgeoisie, DuBois (1991:6) shows how the dominant position of the First World vis-à-vis the Third World, according to the development/underdevelopment dichotomy, gives the First World legitimisation for intervening in the Third World due to power relations. Power is seen as a relation more than a commodity. While existence of political, economic and social conditions which threatens quality of life obviously exists, and so saying, underdevelopment is a very real historical formation, the created category of "*underdevelopment*" is just a single interpretation of these conditions (DuBois 1991:25).

Under cover of the underdevelopment category numerous dominating processes launched and promoted by the West, thereby ensuring continuous domination over the Third World (Escobar 1984:384). Many of the First World-initiated grand development schemes in the Third World have actually benefited the first to a larger degree than the latter. Several of them have led to insurmountable debt burdens, and thus weakened the poor countries even further, while fortifying the First World hegemony (DuBois 1991:6).

Simultaneously the elites in many Third World countries have managed to enrich themselves through collusion with the First World in the name of development cooperation. Adding to this the self-perception of the poor as poor and lacking behind are self-reinforcing (DuBois 1991:25-26). Without discussing development as a discourse we are unable to recognise the systematic ways Western countries have managed, controlled and even created the Third World – politically, economically, sociologically and culturally (Escobar 1984:384).

2.2.4 Another voice: Alternative paths to development

While the influence of the First World in the Third World is obvious, there are still important areas of cultural meanings and practices in the Third World which are still independent of the Western disciplinary and normalising processes (Escobar 1984:382-383). Instead of following the “*Western way*”, critics call upon development programs emphasising self-reliance, local participation, endogenous patterns of development, and satisfaction of basic needs (DuBois 1991:2). Concurrently to the growth of the dominating development discourse, opposing discourses emerged, as leaders and intellectuals of the Third World began to speak on behalf of their own people. These counterdiscourses operated within the same discursive space as the traditional development discourse, and some of them were eventually adopted by the major development institutions and the Western agents (Escobar 1983:390).

According to DuBois (1991:2), the most important contribution of these critics is the establishment of another voice: a voice opposing the external “*aid and technical transfer*” approach to problems of underdevelopment. By using a Foucauldian conceptualisation of power, DuBois (1991:3) strives towards an understanding of the process of development which uncovers the hidden costs attached to the regular understanding of development. He denies the perceived naturalness of the traditional understanding of development.

2.3 The Discourse of Development

To study development using a discursive approach means aiming at investigation of the formation of the discourse of development. Through investigation of the appearance, development and articulation of strategies for coping with problems of underdevelopment, as well as the practices produced by such strategies, the mechanisms by which these practices operate and generally the ways development enters a nexus of power and knowledge – “*i.e. the ways in which **development is put into discourse***” (Escobar 1984:384, *my emphasis*) Thereby the development will no longer be seen as a matter of scientific knowledge aiming at true progress, but rather as a grouping of political technologies intended to manage and shape the Third World (Escobar 1984:384). The discourse has a validity of its own, going far beyond the materiality of “*underdevelopment*”. This materiality is not provoked by objective knowledge – it is rather charted out by allegedly rational discourses of economists, politicians and development experts (Escobar 1984:389-390).

The numerous elements dealt with within the early development discourse were diverse, containing all economic, social and political aspects of importance for development. From rural to urban; local to national; sectoral to integrated; et cetera. Development is, however, not merely a result of these elements combined. It is rather the result of the foundation and systematisation of the relations among these elements, institutions and practices; the particular sort of organisation of the mentioned elements made possible by this set of relations. The discourse of development is constituted by the way it systematically formed the objects of which it spoke, grouping and arranging them in certain ways, providing them a unity of their own. The basic system of relations between the key variables of capital, technology and certain institutions – in other words the fundamental organisation of the discourse – has remained unaltered since the middle of the 1950s. Yet, some changes has occurred, *inter alia* introduction of new elements and variables and development of new modes of operation. The systematisation represents the great dynamic quality of the discourse of development. Its inherent flexibility towards shifting conditions allowed the discourse to thrive up to the present. This adaptability has rendered possible an uninterrupted succession of development strategies and substrategies, as above mentioned. Common for them all is that they exist within the same discursive space (Escobar 1984:386-387).

According to Escobar (1984:387), the discourse of development has enabled an endless number of practices (or in other words development strategies), all deploying new forms of control. Three major deployment strategies are outlined: *The progressive incorporation of problems, the professionalization of development* and *the institutionalisation of development*. The first concerns how one abnormality, such as *underdevelopment* led to, and created, other abnormalities, for instance malnourishment and illiteracy; all demanding careful observation, surveying and treatment. The second regards how political problems are turned into objective, technological matters based on scientific foundation, especially through what is called economisation of development. The latter concerns the formation of development organisations and agencies on various levels, from global organisations to local development agencies, thereby creating a massive network of agents making possible the disciplinary system of development. According to the author, these strategies have been successful in penetrating, integrating, managing and controlling countries and populations in the name of development. However, he claims, they have failed in reducing the actual underdevelopment (Escobar 1984:387-389).

2.6 How can we achieve development?

The concept of narratives may be used to understand different strategies of development. Still if we accept the traditional understanding of development as economic growth, industrialisation and modernisation the discussion on how to achieve this is heated. Numerous accounts have been written about how the differences between the poorest and the richest are steadily increasing, both globally and nationally (Bull 2003:299). The Third World is lacking behind in development, and the differences are increasing. Several paths to development have been outlined, and this chapter will summarise some of these. As this is not the centre of my analysis I will only mention some of the most important and influential, including neo-liberal strategies, modernisation theory, structuralism and dependency theory.

2.6.1 Neo-liberal development strategies

Neo-liberal development strategies originated mainly from the post-World War II period, although some were created as early as the 1870s (Potter et al. 2004:83). Since the middle of the 1980s, these strategies have been dominating within the development discourse, blaming excessive public sector for lack of development (Bull 2003:300).

Following classical liberal theorists such as Adam Smith and David Ricardo such lines of thought, also named the *New Right*, point out governmental directing as harmful to the market's natural price formation, which should secure efficiency and productivity. As early as the 18th century both Smith and Ricardo equated development with increasing world trade and the law of comparative advantage (Potter et al. 2004:82).

The neo-liberal answers to the question of how to achieve positive development includes compulsory competitive tendering, privatisation, and reduction of governmental economic regulation (Bull 2003:300-301). During the 1980s the rule of Margaret Thatcher and Ronald Reagan in respectively the UK and the USA, witnessed extension of market principles in to fields such as hospitals, schools, universities and other public institutions. As these ideas also became dominant within IFIs such as the World Bank and International Monetary Foundation (IMF) (Williamson 2004:1-2, Potter et al. 2004:96, Escobar 1984:383), they became very influential in the Third World through the so-called structural adjustment programs (SAPs). These somewhat controversial programs (Potter et al. 2004:94) tied budget support to Third

World countries to the fulfilling of numerous prerequisites covering *inter alia* reduction of public sector and expenses, thereby giving room for the free market and the private sector.

Among the numerous critiques of these theories are researchers pointing to the newly industrialised countries (NICs) of Asia. These countries, which initially had been serving as examples of how neoliberal theories worked in practice, were now shown to have had strong public initiatives such as subsidies for selected sectors, favourable loans and trade barriers protecting these sectors.

Adding to this, neo-liberalism has been criticised for creating vast differences between the rich and the poor – both globally, nationally and locally (Bull 2003:301-302). Interestingly the state had a central role in Western development strategies, yet the preferred path the recent decades has been that of neo-liberalism and its receipts, including reduction of the welfare state as this is said to destroy the market system together with the trade unions and the state bureaucracy (Potter et al. 2004:94).

2.6.2 Modernisation theory

As a consequence of what they saw as the limits of the market, modernisation theorists asked for an active public sector to compensate these. The possibilities of the market are, however, still celebrated, yet including the state's investment strategies as promoting investment and economic growth (Bull 2003:304). John M. Keynes was among those arguing that the free market is not as self-regulative as its supporters claim. Keynesianism, which his ideas became known as, *inter alia* calls for intervention of the state in order to promote growth within the capitalist systems (Potter et al. 2004:94).

Development is understood as a continuous, linear process leading to progress, modernisation and increased welfare throughout society. The idea of a development-underdevelopment dichotomy is very evident in these theories; undeveloped traditional society with kinship relations and lacking sharing of labour contrasting the modern society characterised by the opposite (Bull 2003:304). Modernisation is in these lines of thought seen as a temporal-spatial process. Underdevelopment can be conquered through spatial diffusion of modernity (Potter et al. 2004:88).

Walt R. Rosows *The Stages of Economic Growth* dated 1960 is an obvious example of modernisation theory. Five phases of which every society has to pass leads to the epoch of mass consumption. The *take-off* leading to the modern society requires infrastructure and an economic framework favouring industry instead of agriculture, as well as a great impulse from society – in form of for instance social or political upheavals, technological advances or change in external economic conditions.

Both Paul Rosenstein-Rodan and Albert Hirschman had already proclaimed a need for a governmental *big push* to launch economic and industrial development, but they disagreed on how and in which sector this *push* should be concentrated. While Rosenstein-Rodan advocated governmental engagement in the education sector as well as coordination of major investments in numerous sectors, Hirschman asserted investments in key sectors as there will be lack of good managers and entrepreneurial spirit as well as economic resources.

The failure of many poor countries to achieve positive development, despite quite substantial governmental investments, has been explained by pointing to low investment rates and investments in wrong sectors (Bull 2003:304-306). Modernisation theories were primarily popular during the 1950s and 1960s (Potter et al. 2004:84), and have later been heavily criticised for being Western-centric. The notion of development is based on the history of development in the Western world – a way of development which not necessarily will be followed in other parts of the world. The development is explained more or less independently from international processes. While external aid in form of capital and technology are counted in, development-restraining external factors are largely ignored (Bull 2003:306)

2.6.3 Structuralism

Responding to the cry for inclusion of external factors in development strategies, the structuralists used the international system as analytical level, instead of the particular country. The world economy is understood as an integrated unit, representing both limitations and possibilities for the individual country's development.

Raul Prebisch formulated a thesis prescribing a provisional build-up phase for domestic industry, shielded from the world market. As the world market is not a neutral marketplace where everybody can profit, such a shielding could protect new participant, reducing the risk

of extortion of these in their initial phase. Such strategies were known as import-substitution strategies, and became very popular in the Third World in the 1960s.

There have been both positive and negative experiences with strategies based on these ideas. The rapid development in the NICs of East Asia used arguably many of the elements prescribed by the structuralists, such as temporary toll barriers and an active state promoting build up of industry. On the other hand countries in other parts of the Third World, particularly Latin America, experienced failure of quite similar strategies. Here the toll barriers and the public supply of capital led to unprofitable mastodon factories thriving on their local monopoly and the governmental support. Unproductive and unprofitable companies were disastrous for the national economy, forcing the government to obtain more and more loans, ultimately leading to the debt crisis which still is frustrating development in many Third World countries.

The key to success in Asia, and subsequent failure in Latin America, has been indicated to be the degree of flexibility while choosing from the variety of policies prescribed. The better bureaucracy in the former has also been mentioned as a important factor. Public bureaucracy with integrity and capacity of deciding for the society as a whole, as well as with direct connection to the private sector has been labelled *embedded autonomy* (Bull 2003:306-308).

Gunnar Myrdal was among those prescribing strong state policies to countervail what he saw as the capitalist system's tendency to foster regional inequalities. Although so-called *spread effects*, such as spread of technology, labour and capital undoubtedly will occur, these will not equal the *backwash effects* i.e. the tendency that the key growth points of the economy attract the majority of the population migration and trade and capital movement.

2.6.4 Dependency theory

Dependency theory stems from among others the work of Andre Gunder Frank, who according to Knox et al. (2003:65) argued that the differences observed between the rich and poor in the world are a result of the nature of the relationships within the world capitalist system. The connection between global metropolises in the West and satellites at continuously lower levels – from the cities in the West to the major cities of the Third World; through the provincial cities and the hacienda owners, ending at the peasant farmer in a village in for

instance Angola's inland – is the key to understand the world according to these lines of thought. Some power is phased out in each stage, and the majority of power remains in the metropolises of the world: New York, London, Tokyo and maybe Shanghai. “*The spares*” are filtered downwards through the satellites, leaving next to nothing to the local peasant at the bottom of the chain. The wealth, however, goes the reversed direction, ending in the power elite of the West. This process, “*surplus expropriation*”, fuels, according to dependency theorists, the increasing differences in the world.

In the words of Knox et al. (2003:65): “*Development somewhere requires underdevelopment somewhere else. Independent development is impossible.*” As a consequence of this conclusion and acknowledging the claimed lack of possibilities to grow within the capitalist world system, Gunder Frank argues for disconnection from the world market, working for development based on self-help rather than based on trade and aid. The rise of the USA as a metropolis rather than a satellite, the rise and collapse of the Soviet Union as a superpower in the 20th century, and the post-World War II emerge of NICs, particularly in Asia, all contradict the thoughts of the dependency theories. Adding to theoretical critiques of the basis of dependency theory, these contradictions result in less legitimacy for the most radical forms of dependency theory today. However, this does not mean that elements of these thoughts are not still used in the development debate, especially by the anti-globalist movement (Bull 2003:310-312).

2.7 In a larger perspective: International division of labour

2.7.1 Globalisation

It is hard to imagine a process of economic development isolated from the tightly integrated global-scale economic systems (Subramanian and Maathijs 2007:11), and I therefore see it as essential to at least contextually put my research in a larger context, casting light on how the discourse China in Angola positions itself within the world economy. In 1986 Peter Dickens constructed a framework for understanding the global transformation of the economy, highlighting firms (in particular transnational companies), states and what he labelled “*enabling technologies*” as the key elements (2004:514). For my research I would include NGOs in such a framework. Dicken et al. (2001:105) explains the global economy as a giant network. Networks are here being understood as both social structures and ongoing processes.

The networks are constituted, transformed and reproduced through asymmetrical and evolving power relations by intentional social actors. In order to understand the global economy and the networks within, we use conceptual metaphors and representations.

During the past two decades there have been produced large volumes of literature concerning the concept of globalisation. Yet, according to Dicken et al. (2001:89), we still remain a long way from fully understanding the processes of the global economy. Both the theoretical meaning and the practical impact of economic globalisation remain obscure. Furthermore, the debate is heated as to what globalisation actually implies for the world, from those describing a genuinely new, globally integrated economy, portraying unstoppable global forces leading to a homogenised, borderless world; to those merely seeing a continuation of long-established trends of industrialisation. One of the many paradoxes of globalisation is the continued importance of regions as centres of economic activity. Rapid technological change, enhanced capital mobility and inter-regional competition for investment have led to a need for regional-level interventions. (Coe et al. 2004:468)

2.7.2 Regional development in a globalising world

Coe et al. (2004:469) understands regional development as set of relational and interdependent processes. The fortunes of regions are defined by what happens within them, as well as through wider sets of relations of control and dependency, of competition and markets. These relations may both be on national and international scale, the latter being in the centre of my interest.

Hence region is in this context conceptualised as a porous territorial formation, whose frontiers are defined by a broad range of network connections. Combining global production networks and regional assets may lead to processes of creation, enhancement and capture of value, thereby facilitating regional development. To be able to understand the forces of regional development we need to cast light on both endogenous growth factors with the specific region and the region's position within the global production network (Coe et al 2004:469). Coe et al (2004:469) conceptualise regional development as "*a dynamic outcome of the complex interaction between territorialized relational networks and global production networks within the context of changing regional governance structures*".

The global production network includes interconnected functions and operations by firms as well as non-firm institutions producing and distributing goods and services. It integrates firms, regional and national economies, thereby having massive implications for the development outcomes. They cut through national and regional boundaries to create structures characterised as discontinuously territorial. As regions face increasingly global competition, endogenous factors within the region are no longer sufficient in themselves to generate regional growth (Coe et al 2004:469-471).

A dynamic ‘strategic coupling’ of global production networks and regional assets facilitates processes of value creation, enhancement and capture. In other words this means it will foster regional development. Regional development is by no means a homogeneous process giving everyone an equal share of the positive consequences. The value capture of the development depends on the balance of power between the actors involved in the process (Coe et al. 2004:481).

2.7.3 New International Division of Labour: Now even newer?

The concept *New International Division of Labour* (NIDL) emerged from the 1970s, describing the tendency that low-cost labour-intensive parts of the manufacturing process are directed towards countries in the developing world where costs are lower. This fragmentation of the manufacturing processes is mainly actuated by transnational companies (TNCs). What was becoming known as NIDL has been said to be the third international division of labour (Potter et al 2004:78).

According to this classification, the first international division of labour comprised production and extraction of primary commodities in the colonies and their manufacture in the metropolitan countries. The second involved a partial shift where some industry was shifted to the newly independent countries under the protection of import substitution policies (Potter et al 2004:78).

Many countries still see few investments in sectors other than extraction of resources. The processes focused on by NIDL has been criticised for accruing few skills and providing very limited backwards linkages to the local economy, thus just exploiting poor country labour. Positive elements of NIDL have largely been ignored. (Potter et al 2004:78-79). My research

deals with a new trend in the international division of labour – traditional Third World countries' extension outside their own borders.

2.7.4 Mobility within the world system

Obviously all countries participate in some way in the global economy. The issue one should debate is how the particular country may participate in a way that promotes sustainable and equitable income growth. While a large part of the world's population has experienced substantial income growth as a result of the growing integrations of the global economy, one can subsequently witness growing differences within and between countries, and stable levels of absolute poverty, also in the richer parts of the world. There are little correspondence between the geographical spread of economic activity and the spreading of the gains from participating in global products markets (Kaplinsky 2000:117). Although the developing countries have increased their overall level of industrialisation, compared to urban population growth rate this growth has been minuscule. Even though the post-war period has witnessed major changes in the distribution of industrial production, the distribution of industrial growth globally has been highly uneven. The emergence of the NICs has, however, shown that mobility within the world system is possible, but simultaneously the remaining less-developed nations have showed a declining proportion of total manufacturing production. These changes in world distribution have been labelled "*global shift*" and has also been regarded as the latest phase in the New International Division of Labour (Potter et al 2004:146-148).

2.8 My theoretical framework

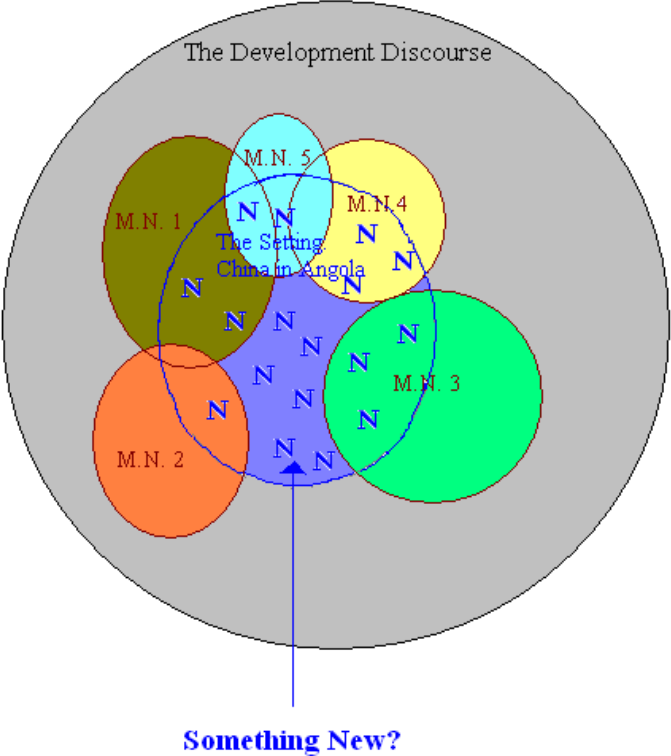
To explain the existing narratives on the development consequences of the Chinese involvements in Angola I will use elements of discourse theory, in particular the concept of narratives. Narratives and perceptions are related concepts, embedded within a post-structural epistemology, as shown by various authors (Haarstad 2005, Haarstad and Fløysand 2007, Müller 2008). While the discourse represents a general exchange of meaning on a general theme that basically structures the way in which that particular topic is thought, narratives are in this sense a more specific perception or model of explanation promoted by an actor or a group of actors (Haarstad and Fløysand 2007:294).

It has been demonstrated how narratives may be used as political strategies to exercise power, in particular by powerful elites (Müller 2008:328), but also by marginalised local groups

(Haarstad 2005:126). My thesis will show how a debate without any clear opposing fronts still can be analysed through usage of the concept of narratives. The arguments used in the debate about the development impact of China in Angola are necessarily founded in a development discourse, and I aim to uncover the various linkages between the representations regarding the Chinese involvement in Angola and this development discourse.

An analysis of the different narratives of issues under dispute may help us approach the question of how the contesting actors promote their narrative (ibid:294). I will investigate how the narratives on the Chinese involvement in Angola and the practice interact, analysing to which degree the perceptions on China in a development perspective permit and restrict China’s access to Angolan resources and markets.

In my study on development, I will use a discursive approach. As I understand it, one can see development as a discourse, in which there exist several meta-narratives (The M.N.s in my illustration) in form of various development theories. I have discussed these superficially in this theory chapter, and pointed at some of the most important indicators present within them.



I will study how narratives (N in my illustration) within the context of *China in Angola* fits to these meta-narratives, thereby investigate if the Chinese approach represents something new within the discourse of development.

To do this I will divide the representations about the development impact of the Chinese involvement in Angola into two positions, namely the *Pro-China* and the *Sino-Sceptics*. Through these positions I will discuss the debate, by focusing on the narratives on the categories of *Angola*, *Development* and the *Chinese involvement*.

3 Methodology chapter

3.1 Discursive method

The major focus for discourse analysis is meaning, and the meaning is studied where it originates – in the language. As grammar constitutes the language, the discourse constitutes social meaning (Neumann 2001:18-19). Our perception of the world is not neutral. Between the world and our perception there are *representations*. We socially reproduce the world, actively or passively adding meaning to what we experience. Our language and our categorisations are examples of tools we use to represent the world. Bearers of the same representations will form positions in the discourse (Neumann 2001:33).

According to Foucault (in Escobar 1984:379) discourses have systematic structures. In other words they follow a pattern, which can be studied. They should be studied archeologically, i.e. by identifying the elements composing the discourse, and the relations between these elements. Discourses should also be studied genealogically. This means that one should understand how the discourse is partly created by non-discursive practices, for instance socioeconomic factors, institutions and administrative requirements. Through genealogy one diagnoses the current situation by focusing on political technologies and their interrelationship with contemporary forms of power and knowledge. Practices of modern culture are localised within different discourses, institutions and disciplines, and the process which the practices arise and develop within.

The term *discourse* is understood in numerous ways. The local variants of the word are used colloquially in Italian and French, and in Norwegian most people would probably define it as more or less the same as a discussion or debate. In social sciences the term is used differently. The great anthropologist Fredrik Barth defined it as “*a process reflecting a distribution of knowledge, authority, and social relationships, which propels those enrolled in it*” (Barth 1993 in Neumann 2001:17). My understanding of the concept coincides with Neumann’s (2001:18) statement of discourse as a system for production of statements and practices which, by inscribing themselves into institutions and appearing normal, constitute reality for their bearers. All conceptual categories and labels carry with them discursive power to shape material processes (Dicken et al. 2001:89). By using a discourse approach for the study of the

Chinese involvement in Angola I can group elements of the discourse in new ways, thereby revealing new points of interest.

My thesis will not be in form of a traditional discourse analysis. However, I will use some concepts from discourse analysis. My understanding of 'discourse' is primarily based on the view presented in Iver B. Neumann's "*Mening, Materialitet, Makt: En innføring i diskursanalyse*" (2001). Through using discursive elements I adopt a focus on epistemological questions in my analysis. My focus is not primarily how things are, but on the perspective – how and why things appear as they do. The division between the physical reality understood as definite and given and the understanding of reality as social representation must be acknowledged, and my thesis will mainly relate to the latter (Neumann 2001:14-15).

Neumann (2001:50) sets up three steps for discourse analysis: 1) Delimitation of the discourse; 2) Identification of the representations of the discourse; and 3) Stratification of the discourse. I will use these steps as a framework for my analysis. The first step concerns determining the borders of the relevant discourse, the second step concerns locating the representations that compose the discourse and the third concerns the dividing of the representation into groups or positions (Neumann 2001:50).

In my analysis I followed threads to delimitate the discourse I was studying (Haarstad 2005:34-37). The articles I read and people I interviewed led me to other articles, organisations and people that had relevant information for my thesis. After a while, however, the discourse limited itself as the information emerging already was included in my research.

During the second step I analysed the statements made during interviews and in other documents, with a focus on how they represented the situation. Based on their representations, I aimed at disclosing the underlying logic and assumptions of the one making the statement, as well as the situation in which the statement were made.

The third step became more of a continuing operation from step two, identifying underlying assumption of statement and conceptualising the relations between the different positions. Simplifying moves were necessary to be done for me to be able to handle the different

representations as in positions. While the simplifying moves clouded the complexity of positions, I saw it as a necessary step for me to be able to do my analysis.

My thesis differs from the traditional discourse analysis, *inter alia* by using interviews as a part of my analysis. I see interviews as a purposeful way of mapping the representations existing within the different positions in question, in addition to surfacing new information.. Several authors (Neumann 2001:21, Dicken et al. 2001:89, Rose 2001:230) emphasises the importance of having a pluralistic relation to usage of different methods, thereby legitimising usage of interviews.

There are several methodological consequences related to using elements of discourse theory in my analysis. A wide range of material was relevant for my analysis, as the focus is on language and representations, and the underlying logic and assumptions of statements. I decided to give fieldwork and interview a central position in my research. To see a situation with ones own eyes are of great importance in itself, and it was also relevant in order to get new information to the surface. There has not been done much academic on narratives on the Chinese involvement neither in Angola nor in Africa in general. In a Sino-African context, this thesis is in other words exploratory, involving new theoretical and methodological frameworks to the debate.

My case is a case study of the increased Chinese engagement in Africa, and its developmental consequences. It may also be seen as a case of a new international division of labour and changing global power relations. China, formerly being a Third World country exploited by powerful Western countries, now enters the opposite side of the negotiating table, as a superpower on the rise. Theoretically and methodologically it is a case of how narratives can be used to promote positions in a debate and how this is done in a dispute without any clear fronts, but with varying representations in the elements of the dispute.

3.2 Methodological debate

This method has positive and negative sides. While being suitable to study representations of people it says little about the actual development impact. As stated by Neumann (2001:14 *my translation*): “*The discourse analyst is therefore not forth and foremost interested in the existing, but in the expectant, how and why things appear as they do*”. To study this is

interesting in itself, and also contributes to expand our understanding of the Chinese presence in Africa.

My data is produced by me in the certain moment and place where I find a statement relevant to my thesis as a representation of a certain reality (Andersen 1997 in Haarstad 2005:33). As I use a discursive approach through the concept of narratives it is not essential that the statements collected actually refer to the *reality per se*. My task as a discursive researcher is to find the representations characterising the narratives.

My case study is based situation which is still emerging, and I will thereby distance my work from traditional discourse analyses which mostly have considered static relations in retrospect (Haarstad 2005:42). This may be positive as the contours of the nature of the Chinese involvement might be easily seen; however it also disturbs my view as I am positioned in the middle of an ongoing process.

3.3 The fieldwork

3.3.1 The nature of my fieldwork

My fieldwork in Angola lasted five weeks through July/August 2008. I arrived in Luanda 2 July, and left 5 August. All my interviews were done in Luanda. While this of course is not ideal, it was the best I could do within the short period I was there. Public transport is very limited in Angola, and the country is vast. Ideally I should have been able to travel more to the countryside, to get my questions answered by people outside the centre of power. Luanda is, however, also the centre of information. By staying in Luanda I therefore was close to large amounts of information within a limited space. My limited travelling outside Luanda did, however give me a notion about the Chinese presence in other parts of Angola. There were Chinese construction workers in the most rural places, enormous Chinese compounds were regularly seen along the roads, and even the road signs were sometimes in Chinese.

3.3.2 The nature of my interviews

I conducted 3 direct interviews, 21 interviews with voice recorder and 3 e-mail interviews. The interviews varied from 20 minutes to about 1.5 hours. The majority of my interviews

where conducted in English. A few were also done in Norwegian. All my contacts were either English or Norwegian speaking, so I did not need to use a translator. Even though it would have been positive for my research to do interviews in Portuguese and Chinese, my focus on important development agents reduced my dependency on non-English speaking informants. Most of my Angolan informants spoke English quite well, but some distortion probably exists. However, by not having an interpreter, I reduced the information-loss connected to simultaneous translation.

I used a standard interview guide, but did not slavishly follow this. The topics covered varied some from interview to interview, as my informants had different sorts of areas of expertise. After a couple of short introductory questions, I started out with a general question about what impact my informant felt the Chinese presence in Angola had on the development in the country. Thereafter, I covered more in detail what I saw as the most interesting aspects of the Chinese impact, including technology transfers, spread of knowledge, job creation, vertical linkages, spinoff companies, local perceptions and motives. In the end I also asked if there were aspects of the Chinese presence we had not discussed, as well as asking if my informant knew other people I should be talking to. This last question gave me access to lots of important informants and vital information which added depth to my analysis.¹

My interviews were mainly conducted in offices, but some were also conducted in cafés and restaurants, when the offices of my informants were far away from the city centre, or my informants did not have an office. I was often told that there were few master students coming to Angola to do fieldwork. This seemed to help me getting access to well-informed and interesting informants, as they were not too tired of students asking for interviews. The majority of my informants were academics, which made most of them familiar with the expression I used during my interviews. However, many held that they did not know the answers of my questions for certain, as there were few sources of reliable information in the country.

In addition to formal interviews I occasionally noted interesting quotes during informal conversation. Some of these have been added in my fieldwork analysis as I found them

¹ See also Appendix 1

highlighting important aspects of Angola or the Chinese involvement in Angola. I chose to make these informants anonymous.

3.3.3 Selection of informants

My selection of informants was a result of several strategies. To relate to Michael Patton's (1990:182-193 in Bradshaw and Stratford 2000:44) fifteen forms of purposeful sampling, the *snowball sampling* and *opportunistic sampling* are perhaps the most descriptive for my strategies. I started out with a quite small group of key informants that I wanted to interview. These included informants I saw as vital bearers of opinions concerning China and Angola and/or informants with a network including vital development agents. Examples of the last group of informants were representatives of oil companies and Western embassies.

What I saw as the vital development agents included representatives from Angolan authorities, embassies, media representatives, local and international non-governmental organisations (NGOs), oil companies, other Chinese companies and businessmen, and I covered all of these groups during my fieldwork. I must, however, admit a considerable lack of informants representing Angolan authorities and Chinese interests in Angola. There are several reasons for this, including language barriers, unwillingness in parts of these groups to talk to me, and lack of contact between my opening informants and these groups.

The Chinese embassy was neither interested in talking to me nor participating in an e-mail interview, and I did never get a response from the Angolan Ministry of Finance neither on my written requests nor requests through personal appearance. I was, however, able to get an e-mail interview with Sinopec Sonangol and a representative of a Chinese construction company. In addition I was able to get a direct interview with the Ministry of Petroleum, in addition to a Chinese road construction company. Two of my interviewees requested anonymity, while one wanted to see the quotes I was using, to decide whether I could tie the person's name to the quote.

3.3.4 Additional informants and sources of information

To reduce the impact of my thesis' lack of informants from China and Angolan authorities I chose to use media as an informant. To find relevant statements in media I simply used Google and various papers' search tools. In particular I found the introduction of statements

from the official Chinese press agency Xinhua News Agency interesting for my study as I found it challenging to get in contact with Chinese informants during my fieldwork. This manoeuvre also helped me keeping updated on the development of the Sino-Angolan relations, as my most recent sources of information are just few weeks old.

3.3.5 Biases

It is important to keep biases in mind, when doing this kind of study. The location of my study was a foreign culture, and the Chinese, the principle actors of study, are a third rather unknown culture for me.

China has been heavily criticised in Norwegian media for hindering the spread of democracy and human rights. Consequently many Norwegians, with which I have discussed the theme of my thesis, have a negative view on China's involvement in Africa. I have strived to be observant on my biases in relation to the Chinese involvement, and reduce the impact of these to the analysis.

Norway has large interests in Angola due to the involvement of StatoilHydro. As far as I am concerned this did not influence my analysis any substantial. The fact that I was Norwegian was not commented on, except that Norway often was used as an example of Western countries. Occasionally, I felt that my role as a young student interviewing my informants on their area, made them relaxed as to how much they told me. I was positively surprised by how free-spoken many of my informants were.

As mentioned, most of my informants were academics. This had both positive and negative sides. The positive side is that the informants were often well-informed, proficient in languages and knew the terms used in the debate. On the other hand I mostly did talk to well-educated people of the upper classes or expatriate milieu, and the representations covered in the analysis chapter are therefore not representative of all Angolans. I did not get the point of view of the unemployed competing with the Chinese workers coming to Angola to work; I did not get to talk much to people living outside Luanda or in the *musseques* – slum areas – of Luanda. The negative effect of this is taken into consideration, and the usage of “*important development agents*” in the fieldwork analysis research question reduces the importance of this bias.

4 Context chapter

4.1 History of the Angolan economy

4.1.1 Pre-independence

Angola was inhabited by the Boschimas until the 6th century AD, when Bantu people settled in the area. At present the population is mainly of Ovimbundu, Kimbunu and Bakongo origin, with several minorities, including people of European decent, present. Angola was colonised by Portugal from 1482, and thus, Portuguese serves as *lingua franca* today. In the early colonial period the Portuguese involvement in Angola centred around the slave trade, but when this trade was abolished near the beginning of the 19th century, Angola became increasingly focused on exporting various natural resources, including peanut oil, rubber, coffee, cocoa, wood and ivory. As much as 85 percent of the workforce was concentrated in the agricultural sector (Alexander and Gilbert 2008:17).

When the struggle for independence from Portuguese colonialism started in the early 1960s, the economic and social structure in Angola was typically colonial. Agricultural production, the extractive sector and international trade were the most important sectors, and manufacturing industry did not account for more that 13 percent of the GDP. Unprocessed agricultural goods represented 56 percent of the total export, with coffee alone representing 36 percent (Ferreira 2006:24). However, the agrarian heartland in the central highlands had one of Africa's most advanced commercial farming systems based on smallholder production. Instead of Portuguese settlers, it was African farmers who made Angola a net exporter of foodstuffs (Sagge 2006:6). Manufactured goods, however, represented just 10 percent of the total exports, in contrast to 88 percent of the total imports (Ferreira 2006:24).

Under relaxed colonial policies from 1962, Angola experienced a considerable economic and industrial growth due to import substitution strategies. Despite high military expenditure, the annual economic growth rate between 1962 and 1973 was at nearly 5 percent. For the manufacturing sector the rate was over 12 percent. In 1969 Cabinda Gulf American oil company started exporting crude oil from Angola, an within five years oil had become the largest export good from the colony, while non-agricultural raw materials had surpassed

agricultural goods as the largest export sector. However, the domination of Portuguese and other foreign economic interests in the development meant that the indigenous capacity did not increase (Ferreira 2006:24-25).

4.1.2 Independence and civil war

With the formation of MPLA (Popular Movement for the Liberation of Angola), FNLA (National Front for the Liberation of Angola) and UNITA (Total Independence of Angola) in the 1950s and 1960s, Angola began the move towards independence. After several years of anti-colonial uprisings, Angola got its independence in 1974 following the coup in Portugal overthrowing the dictatorship. The power was transferred to a coalition of MPLA, UNITA and FNLA (Alexander and Gilbert 2008:18).

The panicked departure of Portuguese settlers in 1974-1975 led to a collapse of vital economic circuits of labour, cattle, transport, warehousing and commodity trade, which lowered returns to farmers, and the coffee export collapsed facing war and increased Brazilian and Vietnamese competition (Sagge 2006:6). During the civil war following the independence in 1975, foreign support just made matters worse. The two rivaling major nationalist movements MPLA and UNITA were supported by respectively Cuba and the Soviet Union, and the USA, France and South Africa. (Ferreira 2006:25). MPLA eventually took control in Luanda, and its leader Agostinho Neto became the internationally recognised president. The war, however, continued for almost three decades (Ferreira 2006:25). Current president Jose Eduardo dos Santos became the leader when Agostinho Neto died in 1979 (CIA 2009).

After elections in September 1992 UNITA did not accept the election results, resuming civil war. Neither the Lusaka peace agreement from 1994 nor the creation of a Government of National Unity and Reconciliation in 1997 put an end to the war, which now for the first time included the larger towns. During this last stage of the civil war, more than 40 percent of the total government budgetary resources were used for military purposes, and the inflation was sky-high, reaching 3783 percent in 1995. Foreign loans secured with pledges against future crude-oil deliveries were acquired to finance the war (Ferreira 2006:26).

4.1.3 MPLA economy

MPLA's political ideology was inspired by the Eastern bloc of the Cold War, but the vision of a centrally planned economy did not work well in practice. The party was the state and vice versa, and most people were excluded from decision-making. Capital assets were confiscated, and the private sector, minus the oil- and diamond sectors, nationalised, which led to large numbers of skilled workers leaving the country. Problems common in centrally planned economies soon started appearing. At no point was there a stable and coherent economic policy. Agricultural and industrial production fell drastically, and the dependency on imports grew. Financial problems in state-owned companies were covered by government subsidies. By 1991 manufacturing industry's contribution to the GDP represented merely 5 percent compared to 25 percent in 1973 (Ferreira 2006:25).

The lacking capacity to formulate appropriate economic policy in times of civil war can be understood as a result of the political and economic system carried through by MPLA. Foreign capital could have reduced the harm resulting from lacking domestic capital, but were seen as endangering Angola's socialist option. The national currency, the Kwanza, were kept unchanged against the US dollar until March 1991, which led it to become increasingly overvalued. As a result industrial and agricultural production became uncompetitive facing much cheaper imported goods (Ferreira 2006:25).

Falling domestic production and rising military costs eventually forced the government to request American and French oil companies to increase their oil production in Angola. In addition to negative effects labelled as the 'Dutch disease'² (Ferreira 2006:25) this also led to the surrealistic situation that American oil company Gulf Oil corporation was protected by a Marxist-Leninist regime supported by Cuban troops, and using Soviet weapons to protect the US oil company against a USA-supported guerrilla (Sogge 2006:3)

Parallel with the events leading to the fall of the Soviet Union, there was recognition in Angola that the central planning strategies had inhibited progress, and in 1987 the government approved an economic reform program for economic and financial restructuring (Ferreira 2006:26). While agreeing that the war undoubtedly conditioned the economic performance,

² 'Dutch disease' describes a situation where massive raw material exports, traded in US dollars, increase the value of the national currency. This makes other exports non-competitive, and imports to the country cheap, thus devastating the local non-oil industry (Ferreira 2006:25)

Ferreira (2006:26) claims that the main obstacle was “*utterly inappropriate economic policy and a political system that fostered a rent-seeking elite*”.

Coinciding with this a new market-oriented economy was promoted. Public enterprises were privatised; however, this only benefited a small well-connected group (Ferreira 2006:26-27). To meet IMF demands in the early 1990s food subsidies for the urban poor were terminated (Sogge 2006:7). Lack of transparency and bad governance got worse over time, and the country was heavily criticised for the high level of corruption. The opposition parties, including UNITA, were subject to pressure by MPLA, leading to divisions within them, as was the civil society. In particular human rights and press freedom were targeted (Ferreira 2006:26-27). During the 1990s the proportion of the total government expenditure used in the educational sector of Angola represented just a third of the average for southern Africa, and, “*From 1997 to 2000 the amounts provided for scholarships to study abroad exceeded the funding provided for higher education within the country*” (Sogge 2006:7).

4.1.4 Peace and reconstruction

In February 2002, after more than three years of large-scale offensive against UNITA, Jonas Savimbi was killed in battle. In April 2002 the civil war was finally brought to an end (Ferreira 2006:26). As of 2006, no serious efforts to promote employment for the urban poor had been done (Sogge 2006:7). In 2005, the school enrolment increased by more than 20 percent, and approximately 21000 new teachers were hired (Aguilar 2006:13).

In 1970, 15 percent of the Angolan population were urban residents (Sogge 2006:6). Partly as a consequence of the civil war which led to massive internal population displacement – peaking at more than a quarter of the population internally displaced, in 2006 this percentage was more than 50. During those 36 years, little had been done to improve the water, drainage, sanitation and energy services, and the cities were largely places of poverty (Sogge 2006:6)

Almost 30 years of civil war left the country with destroyed health facilities, schools, roads, power lines and power systems. The basic public services reach only the better-off minority (Sogge 2006:7) Following the end of the war Angola’s top priority has been reconstruction of the war-torn country as fast as possible to the lowest possible cost (Campos and Vines 2008:24), which involved China in the development of Angola. According to Saria Rees-

Roberts from Amnesty International the Chinese policy of non-intervention has led to a more relaxed position towards corruption and human rights (Bistandsaktuelt 24 Aug 2006). Schiller (2005:2) discusses a fear that Beijing will turn a blind eye to the activities of Chinese companies overseas, even though corporate responsibility standards on corruption, worker safety and environment are tightened domestically.

4.1.5 The Angolan oil

The first oil in Angola was discovered onshore in 1955, but it was not until the discovery of offshore oil in the 1960s that the production accelerated. Oil became Angola's principle export in 1973, and the National Oil Company, Sonangol, was established in 1976 (Alexander and Gilbert 2008:19-20). Important to notice while discussing the Chinese engagement in Angola is that the oil sector has been kept isolated from the political process in Angola. The oil is sold at market conditions, and not following political orientations (Aguilar 2006:15). Sonangol maintains control over the Angolan oil industry, through making recommendations to the government regarding the industry, conducting the bidding process and handling of the negotiations. Adding to this, Sonangol also performs exploration and production of oil, develops oil support services, exports oil, and monitors the hydrocarbon and gas policy (Alexander and Gilbert 2008:19-20).

Angola is currently the second-largest oil producer in Sub-Saharan Africa, after Nigeria. Due to the high level of conflict in Nigeria, Angola temporarily surpassed the country to become Sub-Saharan Africa's largest producer of crude oil in April 2008 (Forbes 15 May 08). The oil production has grown rapidly given the relative political stability after the peace agreement in 2002, and has now stabilised right under 2 million barrels per day (Beseda et al 2008:21). After the entrance in OPEC Angola got an OPEC production quota of 1.9 million barrels per day (OPEC 2008:123) In 2007, Angola had a proven oil reserve of 8 billion barrels (Alexander and Gilbert 2008:21). In 2008, 95 percent of the total Angolan exports were crude oil, with the USA and China as the major customers (Vines 2008:9).

4.1.6 A country of differences

Angola has symptoms of both resource curse and the Dutch disease (Alexander and Gilbert 2008:22). The GDP per capita was estimated to US\$9100 in 2008, and the GDP growth rate was at 15.1 percent (CIA 2009). The GDP growth rate has been exceptionally high the years

after the Chinese entrance. In 2005 it was at 20.6 percent, followed by 18.6 percent in 2006 (Campos and Vines 2008:1) Still the share of the population living below US\$1 a day is at 70percent (Alexander and Gilbert 2008:22), and well over 50 percent of the working-age population are unemployed.

The distance between ordinary citizens and the political class in Angola is vast, and the rulers' dependency on the citizens is limited. Most of the needs of the elite can be obtained without Angolan labour, taxes and consumption (Sogge 2006:10). As Sogge (2006:10) states it: "*The 'resource curse' is fundamentally a political curse, in that it destroys reciprocity between rulers and ruled*". Business permissions and other benefits are distributed directly by the political elite, or indirectly, through foreign investors and traders. There is no alternative to the patronage of the rulers. This reduces the possibility of a countervailing commercial bloc to emerge (Sogge 2006:11). Similarities to the family dynasties ruling in other hydrocarbon exporting countries, such as Azerbaijan and Kazakhstan, and to a certain degree Gabon, can be seen. The level of social development and wellbeing is, however, much lower in Angola than in those countries (Sogge 2006:11).

Angola today is a strange hybrid of the communist history and terminology and the present market liberalism. Walking around in Luanda you see streets named after all the influential communists, including Vladimir Lenin, Ho Chi Minh and Karl Marx. Chevron's head quarter in Luanda is at the corner of the Lenin Avenue and the Salvador Allende Street, an interesting illustration of the present Angola.

4.1.7 Civil society and media

Angola's civil society initially developed to respond the humanitarian crisis caused by the civil war, and is still struggling to make change to more sustainable and developmentally orientated organisational structures and strategies. Remaining quite small and predominately located in Luanda, the civil society and the local capacity for civic development is weak (Alexander and Gilbert 2008:23-24).

The independence and reliability of the media in Angola is questionable. Arrests of journalists are common, and the independent newspapers are limited to Luanda. Only one of the six private radio stations – the Church Radio – is fully independent. The Church Radio stations

are, however, denied the authorisation to spread to more provinces. This sort of censorship might suggest that the government are afraid of active and informed citizens in the provinces (Alexander and Gilbert 2008:24-25). In July 2008, the Angolan government closed down the UNITA-friendly radio station Radio Despertar, one of the few radio channels giving airtime to the opposition (United Nations Public Administration Network 21 Jul 2008)

4.1.8 Corruption and lack of transparency

There are enormous problems with corruption in Angola. Transparency International places Angola as the 158th most corrupt country in the world in its 2008 Corruption perceptions index (Transparency International 2008). US\$1 billion of the oil income is said to ‘disappear’ every year. One can merely speculate how this amount could contribute to the development of Angola. While the government has taken steps against corrupt individuals, little has been done to fight the corrupt system (Alexander and Gilbert 2008:25-26). Rafael Marques, an Angolan journalist who was arrested for reporting on abuses of oil revenues, was cited by McMillan (2005:1): *“The main institution in the country is corruption”*.

Topping the list of rich men in Angola is the president, followed by six other government members (McMillan 2005:1). *“Together with the Central Bank and Finance Ministry it [Sonangol] colludes to form ‘a ‘black hole’ for the country’s oil revenues, akin to the famed Bermuda triangle where shipping would disappear without a trace”* (Hodges 2001:124 in Sogge 2006:9)

Alexander and Gilbert (2008:22) refers to an interviewee discussing the role of the Angolan Parliament, saying that this once quite vocal parliament are now silenced due to increased subsidies from the executive power. The increasing oil revenues make it possible for MPLA to contain internal dissent; hunt for a role as a powerful country on the continent; and also seek a sense of independence from the influence of the IFIs (Alexander and Gilbert 2008:22).

4.2 China internationally

China has during the last decades experienced rapid economic growth, with increased subsequent global engagement. While my thesis will use the Chinese engagement in Angola as the setting for discussion, it is important to note that China’s engagement is neither growing exclusively in Angola, nor in Africa generally. Chinese enterprises are now active in

most parts of the world, however, still most noticeable in Africa, Latin America and the fringes of Europe (Beseda et al. 2008:2).

Several factors contribute to this growth, including the hunt for resources and new avenues to deploy the large Chinese foreign exchange reserves, as well as the strong commitment at the upper echelons of the Chinese government to accelerate the development of countries poorer than China (Beseda et al 2008:4). A key reason underlying China's speedy expansion internationally is Beijing's desire to gain control over sources of oil, gas and other key resources. China, an oil exporter until the 1993, is currently importing 33 percent of its oil consumption, and this number is expected to increase to 60 percent by 2020. Approximately 40 percent of the growth of the global oil consumption between 2002 and 2006 is attributed to China (Beseda et al 2008:19).

Anecdotal evidence suggests a combination of factors allowing Chinese companies to outbid and outperform their Western counterparts. These factors include usage of cheap Chinese materials and labour; access to subsidies provided by the Chinese government to invest overseas; and less pressure to adhere to strict environmental and labour standards (Beseda et al 2008:13).

4.3 China's engagement in Africa

4.3.1 Pre-2000 Sino-African relations

The earliest documented Sino-African trade dates back to the 15th century, when Admiral Zheng Ho led a fleet consisting of 300 ships and 27000 sailors to Africa to trade, secure friends and allies, and to display the Chinese excellence (Marks 2002:46-48). After the establishment of the People's Republic of China several African countries soon established diplomatic relations with Beijing, the first being Egypt in 1956 (Tjønneland et al 2006:41). The first aid from China to Africa was sent in the end of the 1950s, and during this early period most of it was in form of economic, technical and military support to African countries and liberation movements (Muekalia 2004:6-7). However the Chinese influence in Africa before the 1970s were limited (Segal 1992:117). Between 1963 and 1976 ideological considerations shaped China's Africa policy (Alden 2005:147). The 1960s saw the first Chinese merchants arriving in Africa, and in the 70s and 80s the Chinese support gradually

transformed to support for development projects (Muekalia 2004:6-7), the most well-known being the TanZam railroad between Tanzania and Zambia (Tjønneland et al 2006:6). Still, as Segal (1992:115) states, at the beginning of the 1990s, Africa did not matter much to China. At the time of establishment of the People's Republic of China, it seemed clear that Africa would not play an important role for China's foreign policy priorities (Segal 1992:117).

From the middle of the 1990s China's influence and impact in Africa has increased considerably, particularly in the oil-producing countries (Muekalia 2004:7). During President Jiang Zemin's tour in Africa in May 1996, he established the terms of a new Chinese relationship with Africa. The main characteristics of this new relationship were said to be reliable friendship, sovereign equality, non-intervention, mutually beneficial development and international cooperation (Alden 2005:147).

4.3.2 China's Africa policy

In its official African policy (Ministry of Foreign Affairs of the People's Republic of China), China labels itself as the world's largest developing country, following the path of peaceful development. Africa is labelled as the continent with the largest numbers of developing countries. The Sino-Africa relations are in this document being said to traditionally having been friendly, and the Chinese government's current aim is to bringing the mutually-beneficial cooperation to a new stage: *"Sharing similar historical experience, China and Africa have all along sympathized with and supported each other in the struggle for national liberation."* (ibid) The principles said to guiding China-Africa exchange and cooperation are *"sincerity, equality and mutual benefit, solidarity and common development (...) mutual support and close coordination"* (ibid). In addition the one China principle is mentioned as the *"political foundation for the establishment and development of China's relations with African countries and regional organizations"* (ibid) Africa is referred to in positive terms in the document: *"Following their independence, countries in Africa have been conscientiously exploring a road to development suited to their national conditions and seeking peace, stability and development by joint efforts."* (ibid)

4.3.3 Post-2000 – trade and investment links

The trade between China and Africa grew from US\$6.4 billion in 1999 (Taylor 2007:10) via US\$18 billion in 2003 to US\$73.3 billion in 2007, abruptly making China Africa's third

largest trade partner behind the EU and the USA. By 2010 the trade was expected to reach US\$100 billion, making China Africa's largest trading partner overall (Beseda et al 2008:2). However, 19 Jan 2009 Xinhua News Agency published a press release stating that "*Visiting Chinese Commerce Minister Chen Deming said here on Monday that China-Africa trade volume hit an all time high in 2008, reaching a historic new level of 106.8 billion U.S. dollars.*" (Xinhua News Agency 19 Jan 2009a).

The same day the agency also released an article in which Chen Deming stated: "*On the basis of offering zero custom tariffs to the 31 most underdeveloped African countries, China will extend the favouring treatments to more African countries.*" (Xinhua New Agency 19 Jan 2009b) The Chinese foreign direct investments (FDI) in Africa are also rising, from US\$49 million in 1990 to US\$2.6 billion in 2006. The annual growth rates of trade and investment flows have been as high as around 30 percent since the late 1990s. However, in 2006 China still did not account for more than 8.6 percent of African exports and 9.6 percent of African imports. Of the total FDI inflows to Africa in 2006, China only represented 1.2 percent. Even though the China-Africa interdependence is steadily growing the alleged Chinese domination in Africa can be said to be exaggerated (Beseda et al. 2008:2). Interesting to notice is that while most OECD countries have a GPD per capita around US\$30 000, China's GDP per capita is merely US\$1500 (Beseda et al 2008:3, 6).

The Chinese FDI in Africa is concentrated in the oil sector, but there are also considerable investments in infrastructure and construction projects. It seemingly differs somewhat from Western FDI. While the latter is delivered by privately owned enterprises looking for profits, the Chinese FDI is primarily delivered by government-owned enterprises, more as part of a general strategy partly involving creation of long-lasting relationship with African communities and governments (Beseda et al 2008:9) China's success in securing mineral rights in Africa goes hand in hand with Chinese support to construction projects and financial assistance. Chinese debt forgiveness and aid have also contributed to positive infrastructure development in numerous African countries (Beseda et al 2008:18).

China has also been heavily involved in the construction of infrastructure and prestige buildings in many African countries, involving various governmental buildings and stadiums (Alden 2005:150-152). The impact of the Chinese involvement in Africa has so far been

significant, and has been argued to be predominately positive, due to increased growth rates and reduced poverty levels (Beseda et al 2008:4).

Campos and Vines (2008:19) maintain that China provides a new model of cooperation. This model is based on credit lines, economy and commerce, and thereby contrasts with Western models based on aid attached to conditionality. Professor Helge Rønning states in a feature article in Dagbladet (30 Sep 2006) that many African leaders sees the Chinese model of development, with centralised state, limited democracy and strong state-owned enterprises as a good model for Africa.

4.5 China's engagement in Angola.

4.5.1 Early contact

Official diplomatic ties between the People's Republic of China and the Republic of Angola were established 12 January 1983. However, China and Angola had political association earlier than this, starting in the 1960s when China supported the now ruling political party Movimento Popular de Libertação de Angola (MPLA) in a attempt to export the "*people's revolution*" (Corkin 2008:109).

By the time of independence and the start of the Angolan civil war, China switched its support to the two rival parties, UNITA and in particular FLNA, as the Soviet Union supported MPLA, and the relations Beijing-Moscow were recalcitrant (Ferreira 2008:296-297, Campos and Vines 2008:2). As a result, China was actually supporting the same side as the USA and South Africa in this conflict – a move that likely contributed to the late establishment of official diplomatic ties Beijing-Luanda. The claims in China's Africa policy that China and Africa have always supported each other is, thus, ironically not true when it comes to Angola, at present China's largest trade partner in Africa.

The Chinese embassy in Luanda was opened late in the 1980s, but China was still kept at arm's length by the Angolan government for many years (Corkin 2008:109). As late as 1993 there were allegations that Beijing were supporting UNITA with weapons, as Chinese-manufactured artillery was captured by government troops. Both UNITA and the Chinese embassy denied that China had supplied arms to UNITA. During the last years of the 1990s

the relations between MPLA and China improved drastically, and considerable defence cooperation was initiated (Campos and Vines 2008:3).

4.5.2 The rise of Sino-Angolan relations

In 2002, at the end of the Civil War, the relationship between China and Angola changed from a defence and security basis to an economic one (Campos and Vines 2008:3). Throughout the 1990s Angolan exports to China ranged from US\$136 million to US\$600 million. First in 2000 the trade exceeded US\$1 billion, but when it first did, the trade grew quickly. The trade eventually reached US\$1.842 billion in 2000, and by 2002 Angolan oil exports counted for 20 percent of China's African oil imports. In 2005 this percentage had risen to 45.5 percent, making Angola China's second most important oil supplier after Saudi Arabia, and in the first nine months of 2006, Angola temporarily surpassed Saudi Arabia to become the largest source of oil for China (Ferreira 2008:302). China's involvement in Angola ranks among the most visible in Africa today, both in terms of its scale and its political relevance (Ferreira 2008:295).

When China became a net importer of oil in 1993, and oil imports thus became one of China's main economic imperatives, the diplomatic efforts towards Angola increased, and soon the economic cooperation increased (Corkin 2008:109). However, China's motives are not only thirst for Angola's oil, although it seems to lie in the heart of the engagement in Africa (Ferreira 2008:295). In 2006 the two countries issued a joint communiqué detailing the signing of agreements of bilateral cooperation in the economic, technological, judicial, health and agricultural sectors (Corkin 2008:112-113).

Currently, facing increasing Sino-Angolan cooperation the Chinese support to UNITA seems to be forgotten. In a speech in Beijing in December 2008 President dos Santos "*recalled that China's support and solidarity were also expressed during the national liberation struggle and when the Angolan Government defended its sovereignty and territorial integrity*", according to Agência AngolaPress (17 Dec 2008)

4.5.3 The Exim Bank of China loans

After the Angolan civil war ended in 2002, the government was looking for financial means to rebuild the war-torn country and economy. Due to poor standards of governance and

transparency they were disqualified by the IFIs, such as the Paris Club and IMF. The Angolan government felt the preconditions for financial support were unreasonable. The demands were more or less the same as in the early 1990s, while Angola's position was radically changed in the early 2000s as the global oil prices were on the rise. Despite IMF's crucial role in ending the Civil War, by initiating the embargo on Angolan diamonds, thus removing UNITA's prime source of income (Alexander and Gilbert 2008:25), the relationship between Angola and IMF has always been difficult (Ferreira 2008:316). Thus, when China appeared as an alternative loan source it was a welcome one (Corkin 2008:108).

In March 2004, China's Export-Import (Exim) Bank extended an oil-backed US\$2 billion credit line to the Angolan government. In June 2006 this loan was doubled and in May 2007 an additional US\$ 500 million was negotiated, making China the leading external player in Angola's post-war rebuilding process (Corkin 2008:109-110). After this the loan has been increased several times (Corkin 2008:113). Overall, the loan is managed by the Angolan Ministry of Finance, and is paid directly to the Chinese companies responsible for the construction work (Corkin 2008:109-110). After the Chinese entrance, Angolan relations with IMF are currently suspended (Alexander and Gilbert 2008:25)

The loans have been used in several fields of the economy, including infrastructure and expenditures facilitating the integration of the infrastructural projects into the national economy, such as school buses to bring children to new-built schools in the interior provinces (Corkin 2008:110). In total, over 100 projects in the areas of energy, water, health, education, telecommunications, fisheries, and public works have been started with the help of Chinese funding (Vines 2008:1).

The first phase of the credit line saw 31 contracts negotiated, covering the sectors of energy and water, education, public works, health, agriculture, communication and transport, with emphasis laid on the first four sectors. The second phase involved some unfinished projects from the first phase, but still 17 new contracts were also signed. It furthermore included major projects in the fishery and telecommunication sector, while still keeping a focus on education (Campos and Vines 2008:6-8).

The following tables display the details of how the money has been allocated:

Table 1: Projects financed by EximBank of China (Phase 1)

Sector	Number of contracts	Total Value (US\$)
Health	9	206,100,425.42
Education	8	217,158,670.63
Energy and Water	8	243,845,110.58
Agriculture	3	149,753,214.00
Transport	1	13,840,468.00
Social Communication	1	66,905,200.00
Public Works	1	211,684,100.65
TOTAL	31	1,109,287,188.28

Source: Angolan Ministry of Finance (2007) in Campos and Vines (2008:7)

Table 2: Projects financed by EximBank of China (Phase 2)

Sector	Number of contracts	Total Value (US\$)
Health	1	43,805,500
Education	3	229,642,314
Energy and Water	3	144,902,615
Agriculture	1	54,006,958
Fisheries	3	266,847,509
Post and Telecommunications	4	276,307,189
Public Works	2	89,490,000
TOTAL	17	1,105,002,085

Source: Angolan Ministry of Finance (2007) in Campos and Vines (2008:8)

Table 3: Projects financed by EximBank of China (C.A.)

Sector	Total Value (US\$)
Health	159,413,272.36
Education	145,648,999.00
Energy and Water	76,450,000.00
Education and Health	1,660,415.00
Fisheries	40,000,000.00
Telecommunications	56,336,500.00
Public Works	65,500,000.00
TOTAL	545,009,187.18

Source: Angolan Ministry of Finance (2007) in Campos and Vines (2008:8)

As the loan is a government-to-government initiative, the Chinese companies tendering for the contracts financed by China's Exim Bank do not have to register with the Angolan National Agency for Private Investment. Instead the projects fall under a Programme of Public Investments in key sectors such as public works, health, energy and water, agriculture,

telecommunications, the fishing industry and education. The respective ministries manage their own projects, while the fund allocation is coordinated by the Ministry of Finance.

Officially the Angolan government determines the projects, and then presents a proposal for the Ministry of Finance and the Chinese Ministry of Foreign and Commercial Affairs (Corkin 2008:111). The projects are monitored by GAT (*Gabinete de apoio tecnico de gestão da linha de crédito da China*), a multisectoral technical group ensuring fast completion not funded by the credit lines (Campos and Vines 2008:9). According to Corkin (2008:111) various observers from the civil society tell that the Presidency in practice has the overriding power regarding where the money is allocated.

4.5.4 Angolan companies' participation

Included in the agreements leading to China's Exim Bank loans are a requirement that as much as 70 percent of the public tenders for the construction and civil engineering contracts shall be awarded to Chinese enterprises (Corkin 2008:110). Chinese authorities decide which Chinese companies that will be allocated these contracts (Ferreira 2008:300). The remaining 30 percent has been allocated to the Angolan private sector to encourage local participation. However, this seems not to be adequately enforced (Corkin 2008:110)

The existing Sino-Angolan commercial partnerships seem to be with so-called *empresas de confiança* – Angolan firms and businesses owned by politically connected elites in the country, thereby benefitting from protection and special privileges. In other words, the partnership is more about benefitting from the Angolan partners' political connection than genuine cooperation, a kind of partnership doing little to encourage bottom-up growth (Corkin 2008:117).

Competent Angolan companies are overworked, and the Chinese has voiced concerns regarding the quality and of the services Angolan contractors provides, as well as the time frames of delivery (Campos and Vines 2008:24). In addition, in projects financed by China's Exim Bank, a minimum of fifty percent of the procurement materials must originate from China (Corkin 2008:118).

4.5.5 The China International Fund Ltd. loans

In addition to the government-to-government loans, the China International Fund Ltd (CIF), a Hong Kong-based private fund management company, has extended loans to assist Angola's post-war reconstruction. These loans have been administered by Angola's Reconstruction Office, GRN (*Gabinete de Reconstrução Nacional*) (Campos and Vines 2008:9). GRN was established in 2005 to manage the Chinese credit line and the large construction projects the were to finance, and is headed by General Helder Vieira Dias 'Kopelipa', who also occupies the position as Minister-in-Chief of the Presidency (Corkin 2008:111).

The office is only accountable to the Angolan presidency, and was initially designed to provide work for demobilised military (Campos and Vines 2008:9). The loans managed by GRN were formerly speculated to be as high as US\$9 billion, however, the Angolan Ministry of Finance publicly stressed that they amount to merely US\$2.9 billion in October 2007 (Corkin 2008:111)

Many GRN projects came to a standstill in 2007, due to lack of planning and a tendency for CIF to cajole Chinese companies into taking part in projects in Angola, while delaying payment for completed work. Some of the funds from the second EximBank loan have therefore been used to continue the GRN projects. In addition the Ministry of Finance was in 2007 forced to raise US\$3.5 billion in domestic funding. This was the first time Angolan funds where used to ensure that the Chinese companies completed their projects (Vines 2008:7).

In sum, the total of Chinese credit obtained by Angola amounts exceeds US\$7 billion, including both the bilateral loans and the loans from CIF (Ferreira 2008:301). Still, the projects governed by GRN are valued around US\$10 billion according to a senior government official close to the presidency (Campos and Vines 2008:10).

There seems to be a conflict between the technocratic government departments and the management procedures of the presidency. While some details regarding the lines of credit managed by the Ministry of Finance have been published by the ministry, details regarding the GRN are kept undisclosed. It is not known how much money is managed by the GRN, how funds are allocated among the projects, and how much money so far has been spent (Vines 2008:8).

4.5.6 The trade

The trade volume between Angola and China in 2006 was US\$11.8 billion, of which the vast majority (US\$10.9 billion) were natural resources exported from Angola. 99.9 percent of this was crude oil. This interestingly makes Angola one of the few African countries having a trade surplus with China (Corkin 2008:113-114). By 2007 the trade volume reached US\$14.12, meaning that the growth has decreased some compared to the foregoing years. Still, however, Angola's import growth rate reached 37.6 percent, while the export growth rate amounted to 17.9 percent. (Beseda et al. 2008:8). 19 January 2009 Xinhua News Agency quoted the Chinese Minister of Commerce, Chen Deming that "*bilateral trade volume has hit an all time high of 25.3 billion U.S. dollars.*" (19 Jan 2009c).

The Chinese imports to Angola, during the 1990s varying at a very low level of between US\$10 and US\$30 million, are presently steadily increasing. In 2005 Angola imported Chinese goods worth US\$372 million, and between 2005 and 2006 the import level increased with 139 percent, making China Angola's third largest supplier (Ferreira 2008:303). In 2007 China became the second largest trading partner behind Portugal (Campos and Vines 2008:13). The principal imports are steel and iron bars, batteries, cement and automobiles (Vines 2008:10). In sum Angola has grown to become China's leading trading partner in Africa, representing approximately twenty percent of China's trade with the African countries (Corkin 2008:113-114).

The loan terms are obviously favourable for Angola. The loan interest is very low, Libor plus 1.5 percent over seventeen years, including a grace period of five years. In addition the oil is priced according to spot market price of the day, and smaller amount of oil being demanded in collateral, compared to traditional, expensive oil-backed loans (Corkin 2008:110). Adding to this the Chinese policy of non-interference is welcomed by the Angolan government, especially as the IFIs have been sceptical to extend large-scale, long-term credit lines because the Angolan government has not met the preconditions of transparency and good governance. The Chinese loans give the Angolan government the momentum and the means required to rebuild the devastated infrastructure, and can as such be seen as long-term investments in terms of business facilitation (Corkin 2008:112).

4.6 The investments

4.6.1 The non-oil investments

The value of foreign investments in Angola is quite low: US\$2.5 billion in 2005, of which 86 percent is foreign direct investments. The majority of the FDI is concentrated in the oil sector, leaving merely US\$163 million in the industrial development sector. Among the investing countries, China was placed fourth after Portugal, South Africa and Brazil in 2006, meaning that the Chinese investments are not very large (Ferreira 2008:304-305).

Apart from the oil sector, few Chinese investments may be clearly identified (Ferreira 2008:304-305). While several Chinese construction companies that have won tenders have expressed intentions to establish joint ventures with Angolan counterparts, this has yet to be carried out (Corkin 2008:116). However, there has been a heavy increase in non-oil Chinese FDI in Angola during the last few years, and in December 2007, 51 Chinese enterprises were registered with the National Agency for Private Investment (ANIP). The majority of these were engaged in construction, but also firms in the sectors of retail trade and foodstuff products, manufacturing of rubber products and mineral water bottling were present (Campos and Vines 2008:14). Through tax incentives in targeted industry sectors and development zones, ANIP has actively promoted private investments by Angolan and foreign nationals (Vines 2008:11)

4.6.2 Sonangol-Sinopec International

The most significant and tangible form of China-Angola commercial cooperation is a joint venture between the Chinese state-owned oil company Sinopec, and its Angolan equivalent Sonangol. This joint venture, simply named Sonangol-Sinopec International (SSI) is the largest Chinese foreign direct investment in Angola, with Sinopec holding 55 percent of the ownership. SSI now controls stakes in several large oilfields in Angola, making them an important actor in the Angolan oil sector (Campos and Vines 2008:15-17).

In addition to oil exploration, SSI intended to construct a new refinery called Sonaref at Lobito, the second largest port of Angola. The construction of the refinery, supposed to triple the refining capacity of Angola, was supposed to start in the late 2007, but the negotiations regarding, among other things, target markets for the refinery's products failed, and Sonaref

failed to materialise. The Chinese partner wanted 80 percent to be produced for the export market. However, Angolans face shortages of oil by-products due to low refining capacity within Angola. Surrealistically, Angola imports 70 percent of its derivatives needs, and the Chinese plan would not aid this situation, as the chemical composition for products in China and Angola differs greatly.

Sonangol has now announced that they will finalise the construction alone, expressing a wish to 'Angolanise' the oil sector by encouraging local companies to take part in it (Corkin 2008:117, Campos and Vines 2008:15-17). Sonangol stressed that merely commercial factors led to Sinopec's renouncement from the Sonaref construction, and from three newly acquired concessions for blocks (Campos and Vines 2008:17)

4.6.3 Chinese private investments

In addition, Chinese private entrepreneurs are increasingly being seen in the streets of Luanda and other Angolan cities. From their origin in the border areas in Namibia, wholesale and retail traders have entered several Angolan cities competing with the Angolan shop-owners and hawkers (Corkin 2008:114). During my fieldwork I saw numerous Chinese-run copy shops, and I was told that the number of Chinese hawkers was rapidly increasing. The governmental controlled newspaper *Journal de Angola* even published a picture of a Chinese woman exchanging money in the informal market early in my stay. Anecdotal evidence describes how five Chinese retailers, after their arrival in 2000, have taken over large parts of the market in the Huambo-region, effectively wiping out the established suppliers and retailers (Alden 2005:157). Corkin (2008:114) also informs about the entrance of Chinese trader communities in Angola. This follows a pattern seen in numerous African countries (Alden 2005:149-150, 156-157).

Beyond the oil sector and the small-scale retail trade and restaurants, there are some Chinese involvement in cement production, as well as the iron and steel industry. Chinese companies are also entering the diamond sector to some extent (Ferreira 2008:305-306).

4.7 The reconstruction of infrastructure

The needs for reconstruction of Angola after decades of devastating warfare are enormous, and Chinese companies take a large part in the rebuilding. While several NGOs have voiced

concerns about China's presence in Angola, the credit lines are still recognised as a very good opportunity to do much-needed rehabilitation and improvements of the transport and telecommunication sectors (Corkin 2008:118).

The improvements done concerning domestic communication and transport can be a golden opportunity for the agricultural sector to develop (Corkin 2008:118). The Chinese involvement in the reconstruction is mainly centred on the sectors of roads, basic sanitation, housing and public buildings, railways, air transport, agriculture, health, telecommunication and fishery (Ferreira 2008:308-310).

With the upcoming presidential elections in 2009, the Chinese credit line was supposed to guarantee a quick fix to service delivery and infrastructure problems. However, many of the projects, due to be finished long time before the election, have been severely delayed owing to among other things procurement bottlenecks and corruption. Others have been finished, although in a substandard fashion (Corkin 2008:120). Chris Alden was quoted by *Bistandsaktuelt* (25 Feb 2008) saying that it is quite easy to build a road, while the next phase will present larger challenges for China.

Another interesting aspect with the entrance of China is the other international participants in Angola. Many of the Portuguese enterprises which for decades have been working with the tasks now done by the Chinese have been heavily criticised for overpricing and bad quality of work. The entrance of the Chinese alternatives may provide incentives for them to improve their standard (Corkin 2008:118).

4.7.1 The Chinese workers

In 2006 there was 30 000 Chinese workers present in Angola, and it was expected to increase to 80 000 by 2008 (Ferreira 2008:308). In August 2008, the Chinese ambassador in Luanda, Zhang Bolun, was, however, cited by the *Irish Times* (26 Aug 2008) saying that while the embassy did not know the exact number of Chinese working in Angola, they believed the figure was between 20 000 and 30 000. As a point of comparison, there was 350 000 Portuguese present in Angola at the time of independence. At the peak in 1988 Cuba had 52 000 soldiers stationed in Angola (Gleijeses 2006:3-10).

The majority of the Chinese workers present in Angola are low-skilled workers who entered Angola under the ambit of the Chinese credit line. Most of them have one- or two-years contracts and return to China after the completion of the contract. Many of them live in closed compounds near the construction sites. Thus, they have very limited contact with the locals, and few problems have been reported so far. In addition several Chinese private entrepreneurs have entered Angola, doing businesses throughout the country. These have complained about language barriers, lack of infrastructure and the bureaucracy. Due to Angola's history as a Portuguese colony, Brazilian and Portuguese firms have linguistic and cultural advantages compared to their Chinese counterparts. None of the Angolan universities have a Chinese-language program at present (Campos and Vines 2008:22-23).

4.8 Chapter summary

After positioning the case study in a historical domestic and international framework, this chapter has presented the main characteristics of the Chinese engagement in Angola as lines of credit, infrastructure construction and trade of oil. The nature of the Chinese involvement in these sectors has been studied in detail, and the consequences for various Angolan groups of actors have been discussed. We have looked at the details of decision making, and how the lines of credit have been allocated.

Politically, we have seen that the problematic Sino-Angolan relationship during the civil war now seemingly is forgotten, and that China and Angola steadily increase and improve their relationship during economic and political cooperation.

5 Analysis chapter

5.1 Introduction

After the creation of a theoretical, methodical and contextual framework, the forthcoming analysis chapter is founded on my fieldwork in Angola and statements made by important development agents in other settings. Perceptions uncovered in academic works on the subject will also be included. The aim of this chapter will be to cast light on narratives on the development impact of the Chinese involvement in Angola to link these to the conceptual framework developed for this study, namely the positions and categories identified. By doing this, this thesis approaches the objective of contributing to the understanding of the changing power relations appearing as a result of the emergence of China as a modern superpower. By locating this Angolan case study in an international context of international division of labour one can further analyse the changing power relations and question the decline of the Western world in parts of the Third World.

5.1.1 The Land of Rumours

One of the first things I realised during my stay in Angola was that secure sources for relevant information could be challenging to find. During informal conversation I was told that “*Angola is a land of rumours*” and I later met this problem several times during my collection of information. People often referred to rumours and the words on the street, for example that the governmental-owned Chinese enterprises used Chinese prisoners as work force in Angola.

When I asked Kamia de Cavalho from the United Nations Development Programme (UNDP) about this she stated “*That’s the nature of the situation, and I think people are quite closed off. I simply don’t know [anything about the connection between the Chinese interest in oil and infrastructure companies], but there will be people who are quite closed off from making comments on that.*” (Interview de Cavalho). Alexander and Gilbert (2008) also reported about this problem quoting an unnamed informant in Angola: “*You can’t monitor something if you don’t have information*” (cited in Alexander and Gilbert 2008:28). They further report that secure information about what the government is doing and planning is hard to find, especially in the oil sector. The civil society finds it hard to obtain accurate information to be used to campaign for changes in policies and practices. According to the authors, access to

information is strictly controlled by the government through various means – such as bribery, violence, limitation of independent media, and co-opting those individuals or organisations who seem prepared to uncover information (Alexander and Gilbert 2008:28). An interviewee quoted by the authors puts it this way: “*If you are a good journalist working for private radio, the government ‘invites’ you to join public radio. If you are too critical, they ‘invite’ you to visit jail*” (unnamed informant quoted by Alexander and Gilbert 2008:28).

Aguilar (2006:19) states that there is just small technical nucleuses primarily located in the Ministry of Finance, the Ministry of Planning and the Central Bank that understand the new conditions following the rapidly changing society following the end of the war. Aguillar claims that these nucleuses are the only ones having clear ideas about how to proceed ahead, while the others ministries are dominated by outdated and bureaucratic views less interested in promoting a strong private sector than in expanding the state’s productive capacity (Aguilar 2006:19).

5.1.2 The *Pro-China* and *Sino-Sceptics* positions

I have chosen to label the two opposing sides regarding the question about the Chinese engagement in Angola the Pro-China and the Sino-Sceptics. Both sides promote narratives regarding the Chinese involvement and these will be the focus of my analysis in this chapter. However, these positions are simplifications. While some of my informants were quite reserved facing the Chinese involvement, none were actually directly opposing it, and all were seeing some potential in the Chinese involvement.

I will therefore specify that what I here call the Sino-Sceptics is therefore not anti-China; they are just more reserved to the development outcome of the Chinese involvement than the Pro-Chinese informants. Several of my informants could be labelled as both, and alternately promoted the Pro-China position and the Sino-sceptic position. The Sino-sceptic position seems to be easier identified in its pure form in other African countries, such as in Zambia, as mentioned in the introduction.

It was hard to identify any obvious fronts in the discourse. Most of the informants had representations from both the positions, and this flexibility of narratives makes the dispute complex and the positions elastic. The fronts observed on one category could change when

studying another category. In other words the actors regularly shift positions within the framework of the discourse.

Obviously, my Chinese informants were the most positive regarding the effects of the Chinese involvement. They often used the same phrases used by the Chinese and Angolan leadership, or referred to the official Chinese African policy. The Angolan and Western informants were harder to classify. There was no consistent positioning in these groups. Informants one could expect to be Pro-China turned out also to promote Sino-sceptic representations, and *vice versa*. For instance, several of my Western informants seemed to be influenced heavily by the *Pro-China* position, while Valter Campos, working for a Chinese construction company, had several representations which he shared with *Sino-sceptics*.

5.1.3 The categories – Angola, the Chinese involvement and Development

Through my presentation and discussion on the narratives I will show how the contrasting narratives are based on different sets of thoughts; how the very fundamentals of the narratives are irreconcilable. As I will show, the narratives especially differ regarding the representations of Angola, of the nature of the Chinese involvement, and of the development impact. These three categories will therefore be my focus in the analysis. The decision to focus on the representations of these categories, were done as these three variables are of interest both according to my theoretical framework, empirically as well as being methodologically possible to study.

In other words, I followed the first step in the framework presented by Neumann (2001:50), namely delimitation of the discourse according to my theoretical and methodological framework, which leaves the two latter steps undone: 2) making of an inventory of existing representations; and 3) division of these into groups. This is what is done in this chapter.

In this chapter I will use the methodology discussed earlier to show how representations regarding these three categories constitute the two positions' narratives regarding the development impact of China in Angola. I will discuss the underlying assumptions and see how they create certain effects in the outcome. The construction of the chosen categories through narratives may reflect underlying strategies of the bearer of the statements.

The *Angola* category includes representations and narratives about Angola domestically as well as Angola in an international context. Different representations of the Angolan history are also included in the category, as they say a lot about why Angola is like it is, as well as why China got involved.

The *development* category consists of representations and narratives which discuss what development is, how to achieve it, and how the Chinese involvement contributes to this.

The *Chinese involvement* category involves representations and narratives debating the nature of the Chinese engagement in Angola, as well as discussing the motives for entrance, the results, the priorities, and how it relates to development

5.2 Angola:

The way Angola was described in the two positions varied substantially among my informants, and the choice of 'variable' to have in focus can be understood as reflecting the power strategies of my informants. Very broadly the major lines of differences I saw were the way the Angolan society was represented and how Angola's recent history was described.

The Pro-China position advocated the possibilities of Angola. While it was consensus that Angola as today lacked almost everything, the vast potential of the country were stressed, and the Chinese involvement was seen as an accelerator of Angola's economic growth. The agents of this position pointed out the abundance of natural resources in the country, which makes Angola a very attractive country to befriend.

Angola is in other word described as lacking the funding to make the best out of its potential, which is linked to lacking foreign involvement. As such the Chinese credit lines and involvement contributes positively. The statements regarding the Chinese involvement aim at normalising the notion that the problems in Angola are best solved by the Chinese is in need of China. The win-win situation officially stated in China's African Policy (The Ministry of Foreign Affairs of the People's Republic of China) is in this way fortified as appropriate in the case of Angola. The Chinese involvement is transformed to an integral part of Angola's development, and the strategies chosen are not questioned thoroughly.

The Sino-Sceptics seems more pessimistic. While some were upholding that the Chinese involvement had positive elements, they tended to focus more on the lacking social development, corruption and the “*stubbornness*” of the Angolan power elite. Several times the number of “*dos Santos*” on the electoral lists for the forthcoming election were mentioned, as was the numerous postponements of the elections which were seen as a way for the current president to consolidate his position (informal conversation). The lack of real opposition was also mentioned as a huge problem. While many political parties were registered for the election, none of them could actually compete with the MPLA. As one of my informants noticed, everything in Angola was arranged for dos Santos to continue as president, down to the Kwanza notes that portrays President dos Santos together with the first president of the independent Angola, Agostinho Neto (informal conversation).

The history of Angola’s foreign relations was another evident conflict line between the different positions. The pro-China position tended to focus on how the Chinese had stepped in when Angola were abandoned by the west. The lack of development is seen as a consequence of the lack of foreign involvement after the end of the civil war. The Chinese involvement is linked to economic development for all parts of Angola and thus increased welfare.

The Sino-Sceptics on the other hand placed the responsibility of the failure for Angola to come to an agreement with IMF on the Angolan power elite rather than on the IMF and the Western world. The Angolan government displayed unwillingness to face the demands for extension of credit lines, and therefore IMF could not give them economical support.

5.2.1 Angola as Eldorado

This narrative was primarily promoted by the Pro-China position. The focus is on Angola as an attractive place. The plenty of resources were often mentioned to describe how attractive Angola is as an ally and as a place to invest. Valter Campos, an Angolan working for a Chinese construction company described the essence of this representation. He concludes by affirming how good it is to be Angolan, In other words, China should be glad to be in Angola.

“Angola is one of the appreciated countries in the world. Angola has got 37 of the 41 fossil minerals in the world! Everyone wants a share of it. Everyone is here! (...) There will be a shortage of water in some years. Angola might be one of the

biggest countries in the world in water. You can either find oil or minerals in every part of Angola! It's good to be a part of Angola” (Interview Valter Campos)

A senior Western diplomat put it simply: *“This is the place to be!”* (Interview), explaining that the country is:

“...a growing force in Africa, not [just] in Southern Africa. Of course I think the Chinese will see it good to have relationship with a country that is coming up in terms of power and influence. Angola is strategically located, they have a large effective and healthy military, the largest, most effective, and certainly most healthy in all of Africa! And they have oil!” (Interview).

As we can see this diplomat focuses on Angola's position as a regional power, in addition to the focus on natural resources also seen in Campos' quote. The combination of Angola's geographical location, the military and the oil makes Angola quite unique, thus this is the place to be, according to the diplomat. (More than 40 countries actually have an embassy or a consulate in Angola – a quite large number for countries in the region.)

Xinhua News Agency released in March 2009 a press release quoting the Chinese ambassador in Luanda Zhang Bolun that: *“Angola has good conditions for farm production, particularly for the production of rice, wheat, cotton, vegetable and tropical fruits”* (Xinhua News Agency (27 Mar 2009)

However, several of my informants raised concerns as to Angola's dependency on the oil sector:

“Angola's development is highly dependent on high oil prices, also due to the options our government is taking. If we start taking an economic policy more focused on agriculture and developing local industry that are linked to products that we have, we could have an economical growth more based on sectors that we can control. (...) The other sectors are growing very fast, but I think the developing sectors: if the oil sector collapse, they will also.” (Interview Carlos Figueiredo)

Carlos Figueiredo, an Angolan who has worked for several developmental NGOs in Angola, here maintains that while the abundance of resources is not enough to bring lasting development, it might help developing the other sectors, if the strategies are wisely chosen. The importance of national control is highlighted. Still, Figueiredo also emphasise that the dependency on the oil sector is not positive, and this leads us to the representations of Angola as a place of limitations.

5.2.2 Angola as a place of limitations

As a consequence of the dependency on the oil sector development of other sectors should be a preferred task for the government. Aguilar (2006:20) states that the major bottleneck for development presently seems to be lacking capacity for an appropriate design and evaluation of investment projects. The reported delays in the use of Chinese credit have seemingly been results of difficulties putting forward reasonable projects. According to the author these are weaknesses of the Angolan state that will take long time to solve.

This lacking local expertise were mentioned by many of my informants, and it was pointed out that the Chinese companies did not employ locals or hired local companies as sub-contractors. As mentioned in my context chapter the contracts linked to the Chinese line of credit states that 30 percent of the contracts should be reserved for Angolan companies. However, several of my informants told me that this was not reflected in real life. A Western diplomat expressed this: *“The contracts say that 30 percent is reserved for Angolan companies. Because of lack of Angolan capacity this tends to be a shell game – sub-contracting to Chinese companies which are cheaper, means profit to China”* (interview).

However, Victor Fontes, the manager of an Angolan construction company dismissed that this was a particular Chinese problem: *“The problem is not only with the Chinese companies. (...) we must also be aware the possibility to find, in this market, Angolan companies with capacity to do this kind of work they need”* (interview Fontes). Valter Campos contemplated over this:

“The main problem is the lack of knowhow. We have been to a war, and lots of the people have to find their way to survive, so they have no time to go to school. (...) Not many people are as fortunate as I am. But there are some people who

have connections, they are doing fine. In terms of technology we are still very weak. I think Chinese are helping our government to train some people, to qualify some people. In a way they are helping.” (Interview Campos)

Angola’s limitations are highlighted in these quotes. Chinese companies are obligated to bring their own people, as the local capacity is not present in Angola currently. In other words the lack of jobs for Angolans in Chinese projects is seen as not being China’s fault. While being a resource-rich country, Angola still needs help. It is clear that Campos regards spread of knowhow as a key aspect to achieve a positive development for Angola. As I will come back to later, this is something the Chinese involvement has been criticised for not providing. The lack of knowhow contributes to the masses of Chinese workers in Angola.

Victor Fontes agrees with this, and blames the history of civil war for the lack of capacity in Angola:

“I always think the reason for why they get those people from their country is because our market isn’t offering good solutions. Of course it is a lot more expensive to get a foreigner to work here, than to get a local guy. One of the big problems is that the economy more or less stopped during a long time, and that means that there was no creation of capacity particularly in civil works.”

(Interview Fontes)

5.2.3 Angola as a haven for corruption

As I stated in the context there are problems with corruption in Angola. This problem has been touched on both in media and in academic works, as well as by my informants in Angola. The reason for the high level of corruption is hard to identify, and my informants did neither agree on the reason nor on who to blame for them. In a feature article in *Aftenposten* (27 Dec 2005), Professor Helge Rønning wrote that *“such processes increase the widespread corruption in Angola. Corruption is a political matter, and everybody knows that it is a severe problem in China”* (my translation). By using “everybody” in this quotation Rønning makes it obvious that this is an endogenous problem for China, and thereby makes the continuation of corruption in Angola China’s fault. The West’s participation in the same corrupt system is not mentioned. A Western diplomat discussing the problems of corruption said: *“Some Chinese*

companies are better than other companies to understand the Angolan mentality. Corruption is very present in China.” (Interview) Companies from the Western world are in this narrative not corrupt, and thus have problems to understand the Angolan reality – which is corruption.

The Chinese ambassador Zhang Bolun, however, commented on the corruption problem by saying *“This is Angola’s internal problem and we cannot interfere, but what I can say is that the Chinese companies have nothing to do with corruption.”* There are clear references to the official Chinese policy of non-interference here. The statement that Chinese companies have nothing to do with corruption is, as we saw, highly contested. Even a Chinese I spoke with in Luanda openly contradicted this by saying: *“Yesterday, three guys returned to China without any problem. The reason is I give them [people at the airport] 2000KZ. It is common that money can solve any issues here.”* (Informal conversation) While disagreeing to whether the Chinese participate in the corrupt system, the notion that this problem is Angola’s internal problem and has little to do with China, is noticeable. In other words, China is officially represented as noble, and informally represented as willing to cope with local customs.

As to the lack of transparency commonly being brought up as a critique of Chinese involvement in Africa, Victor Fontes refused to blame China:

“The other problem – and that is a general problem – is that most of the time the process to choose companies are not very transparent. It means that the prices are not very competitive. But again, this is not a Chinese problem. I could see that in all the projects I was involved in, these special credit lines, particularly the grant ones. The practice was never very competitive. Of course that was a thing we could see. We are not aware of what happens behind the curtains, and that is something we cannot speak about because we don’t know.” (Interview Fontes)

By saying this Victor Fontes gives an impression that it is hard to identify the sources of this problem, and that nobody actually can be blamed more than others. All companies have skeletons in their closets.

5.2.4 Angolans' perceptions towards the Chinese

The Angolan attitude towards the Chinese and foreigners in general were another subject which I received unequal answers on. Lars Ekman from the Norwegian embassy maintained that *“Angolans generally are very sceptical towards foreigners (...) this scepticism is even larger when it comes to the Chinese”* (interview Ekman). Other informants also had the same opinion describing the Angolans as very proud to a degree that one could interpret as unfriendly (informal conversation). The relationship between the work the Chinese does and the Angolan attitude towards them was unsurprisingly highlighted by several of my interviewees: *“Angolans are very smart people. They see the low quality workmanship, they see the jobs not being created, they see the technology not being transferred and they don't like it. You see disputes.”* (Interview senior Western diplomat). It is implied that the Chinese involvement have a negative side, namely quality issues and lack of job creation and technology transfers, and that these lead to problems in the Sino-Angolan relations. Kenny Gong from SSI agreed that these relations can be problematic: *“I always find bad news about Chinese and Chinese companies. I know the feelings of Angolans to Chinese are very complicated.”* (Interview Gong)

This was contradicted by Tako Koning, A Canadian who has been working for many years in Angola for Texaco, Tullow Oil and Yme, a Norwegian development NGO. *“We have never ever heard of any kind of a real Chinese backlash or riots against the Chinese, not at all”* (Interview Koning). Fillipo Nardin, president of the Angola Educational Assistance Fund, says China's reputation with the average Angolan is *“fantastic. They all think things are starting to work because of the Chinese.”* (United Nations Public Administration Network 21 Jul 2008). Neither the West nor the Angolan government get much credibility in this statement, while the Chinese are praised for making things work. Valter Campos added to this by simply stating that *“In terms of development I think China is one of the greatest partners Angola has ever had. I will say since the Chinese came, things are going better than expected.”* (Interview Campos).

Victor Fontes also contradicted the reported scepticisms towards foreigners, stating that *“I must say that in my point of view the Angolan people are very friendly. I really don't know many countries that accept so easily foreigners and don't create any problems to integrate with these foreigners in our community”* (Interview Fontes).

Henrietta Koning, working as a teacher in Luanda told me that she had asked her students about the Chinese, “*and they think they’re doing good for the country (...) They’re not just in big, fat Land Cruisers like most of the foreigners. They’re on the local buses, they walk on the streets (...) they blend in. (...) And they brought electricity, they fixed up the roads, so they’ll tolerate them as long as they’re doing this stuff*”. This perception is also linked to what the Chinese do, which in itself is not surprising. However, here the conclusion is that Angolans are positive to the Chinese. The modesty of the Chinese workers is praised. In contrast to expats with big Land Cruisers, the Chinese are often seen on truck bodies or in old cars.

Erik Holtar, working for StatoilHydro in Luanda, discussed the same line of thought: “*Some [Angolans] I talk to are very positive [regarding the Chinese]. They lived where common Angolans live. From others I hear they live in camps and are very secluded, so there are mixed signals. The Chinese too differentiate people. Some are bosses, some are farm hands.*” (Interview Holtar, my translation). The Irish Times reporter Mary Fitzgerald also reports that despite some grumbling that the Chinese labourers do work that the hordes of unemployed Angolans could do, there are “*few signs that the popular resentment which has bubbled up in other parts of Africa is gaining significant ground here*” (The Irish Times 26 Aug 2008), while adding that there was no mention of China in any of the opposition parties’ manifestos in the election in September 2008. The lack of anti-China statements in the first election since 1992 could be interpreted as a common agreement that there is no alternative to the Chinese for Angola.

5.2.5 The traditional partners

“*Both Chinese and African elites like to posture them as having experienced – and continues to face – common enemies, namely imperialism and ‘neo-liberalism’*” (Snow 1995:285, in Taylor 2007:11) With these words the thesis will turn to the representations of the traditional partners of Angola. One must understand the history of Angola’s foreign relations and discuss their present foreign policies to understand the position of China in Angola today. Victor Fontes summed it up like this:

“From the 60s there were no interests in Africa. There was only a political least commitment as possible. (...) that opened a field for countries like China to step up. On the other hand we must frankly analyse the relationships between Western

countries and African countries, and we must see that they are not done on equal terms, and there is a lot Eurocentric positions from Western countries, assuming that they are right philosophically, and their conceptions are the right ones. That means the other ones is the wrong one. (...) It means that that creates a difficult relationship. In fact there was not a change from the master and the servant relation. (...) I am not trying to defend that all the conceptions from Africa, and I don't want to defend some tyrants and some regimes that are clearly in the wrong way, but I also think that we must not be a position that there is only one truth in the world" (Interview Fontes)

Victor Fontes here involves the philosophical elements of the narrative again. He criticises the Eurocentrism displayed by Western countries, and link this to the colonial history through the usage of “*master and servant*”.

The motives of the Chinese most often were proposed to be access to oil, and Carlos Figueiredo discussed how this was not something new:

“I think the engagement of Western countries to Angola in the past was mainly driven by interests, as the interest from China. Maybe we can find some exceptions, but the rule it is not fair that some voices say ‘Oh no, the Chinese are here because they are interested in our resources.’ I think it is really not fair, because it is not something new. It was also the rule before, before the Chinese came. If we look to the history of Angola, China has done very little harm, but lots of harm has been done by Western interests.” (Interview Figueiredo)

The motives of the Western involvement are more or less the same as the Chinese, and the critiques from the Western world seem hypocritical. The worst damage inflicted on Angola has been results of Western involvement. The view of the Western world as imperialistic and intervening is shared by Chinese officials. A common Chinese handling of critical questions seems to be comparing to Western relations to Africa: “*Business is business. We try to separate politics form business.... You [the West] have tried to impose a market economy and multiparty democracy on these countries which are not ready for it. We are also against embargoes, which you have tried to use against us.*” (China’s deputy foreign minster, Zhou Wenzhong, as cited by Beseda et al 2008:15).

While visiting Angola in 2007, Erik Solheim stated that *“It is nonsense to be afraid of China in Africa, keeping in mind the history of Europe on the continent through 500 years.”* (Stavanger Aftenblad 06 Feb 2007b). A Western diplomat summarised the situation at the end of the civil war, stating that *“In 2002 Angola was very poor, and indebted to Russia, the Paris Club, the US and Portugal. In 2007-2008 the country repaid most of its debts. (Interview).* While not forgetting the Sino-Angolan history Victor Fontes ascribed great positive effects to the Chinese involvement the last years.

“The relationship between MPLA and China was not very good in the past. We are aware that they had a close relationship with Savimbi and UNITA. (...) One of the good things which happened with this Chinese involvement, I think, is that after the Chinese step up, the relationship with the Western countries were a lot better. It means that after the Chinese started giving loans, started these credit lines, what we saw was that the interest from the Western countries increased a lot, and nowadays we get credit lines from Portugal, from Spain, from Germany and so on. That was in the war very good for the country” (Interview Fontes)

China has changed and has become a friend instead of a foe of the MPLA regime. As China changed, the rest of the international community seems to have changed as well. Angola’s foreign relations are better, and the treatment from companies from other parts of the world has improved as well.

Kamia de Cavalho compared the Chinese involvement with that of the traditional partners:

“Obviously their government treatment has been completely different from the other. It is very reminiscent of the Cubans. The support the government got from the Cubans. Not only the truce, but the features, the doctors et cetera; the nationalistic embracing of the Cubans. It is not necessarily going the same way for the Chinese, but they are being seen as allies (...) they are helping to rebuild the country. That kind of answer you would not get from what UNDP or any one else in traditional aid do. (...) The government would not promote that kind of sympathy for traditional [aid agents]. That is one of the big differences (...) One is the value of the loan, that no one else can compete with, and two is that the

treatment is completely different. (...) I'm talking about the state position towards aid. If the government is promoting and saying 'you should embrace our allies. These are our friends; they are people who are coming to help. (...) They were the only ones [being there for us].'" (Interview de Cavalho)

The alleged government position preferring China before the Western world seems to be founded on solidarity as was the Cuban involvement in Angola during the civil war. There seems to be less focus on the Western involvement, as the Western countries are not “*friends*” in the way China is and Cuba was.

5.2.6 The donors conference

A theme constantly coming up during my interviews was the donors conference that many expected to happen after the war ended in 2002. It was commonly agreed that this was the major event leading to the Chinese entrance to Angola. The reasons for why the talks stranded, and there never was a donors conference were, however, controversial and much discussed.

At the end of the Civil War in 2002, the IMF and several Western donors requested a staff-monitored program (SMP) and three trimesters of good performances before they would give any financial support. This SMP would give credibility to the Angolan government and open the way for a donor conference to raise fund for rebuilding of the country. As the Angolan government and IMF could not come to terms regarding these conditionalities, the Angolan government announced that they would no longer seek an agreement with the IMF (Campos and Vines 2008:18). Instead they turned to China, which represented a new model of cooperation, based on credit lines, economy, and commerce, which contrasted with Western efforts of cooperation based on aid attached to conditionality (Campos and Vines 2008:19).

Back in 1995 a donors conference for Angola was actually launched in Brussels. However, this round table conference of the Angolan government and their civil society and donor partners failed. Cain (2003:3) discussed this failure, labelling the round table conference as

“an attempt by the international donor community to provide the means for smooth the way for the implementation of the Lusaka Protocol – a Marshal [sic]

Plan for Angola, to provide a carrot in the form of almost one billion dollars for promised rehabilitation and development assistance to rebuild a war-damaged infrastructure and kick-start the economy.” (Cain 2003:3)

Compared to the amounts provided by China presently this sum is hardly enough to count as a Marshall Plan anymore.

The major dividing line was between those meaning the failure was the Angolan government’s responsibility and those meaning it was the Western world who forsaking Angola after the civil war. Deputy Prime Minister, Aguinaldo Jaime, was cited by the Irish Times (26 Aug 2008) that:

“The donor community was not ready to come to our rescue so we had to look for alternatives (...) We had just come out of a long war, our economy had been devastated and the country had massive social needs, China was willing to understand this reality and put a huge financial package on the table. This is the main reason Angola decided to enter into a relationship with China.”

Through this representation Jaime makes it clear that the rise of China in Angola came as a direct consequence of what he sees as the West’s failure to step up when Angola needed help. It seems clear that the Western world should have helped Angola, and nothing is mentioned about Western attempts to help earlier.

Joao Neves, a prominent member of the civil society in Angola, is a bit less drastical:

“I think the International community has done a good job here, but they promised that at the end of the war they would help with reconstruction. When they reached the end of the war they said that ‘yes, that’s true, but I think now you have to do DDDR – Democratisation, disarmament, demobilisation, reorganisation of the soldiers.’ When Angola managed to do a good one, but not a perfect one, they said ‘now you need to do a transparent economic reform, and you need to do a good poverty reduction strategy phase.’ In many ways they are changing the gold pot over and over again, up to the point where the government said this is not going anywhere, there was an appeal for doing a donors conference, where the

Western countries were supposed to put money, like they do in all countries after they finish the wars, but then at some point – in my opinion especially because of the Afghanistan war and the war against terror – they [the western world] started to remove lots of funds from countries like Angola.” (Interview Neves)

It is stressed that while the West has given positive contributions, they requested too much from Angola in the post-war phase. The representation includes an international setting where the “War on Terror” is seen as a factor for the let Angola down. According to this representation Angola is treated unfairly by the West, a kind of argumentation that has been heavily used when describing the entrance of China. Carlos Figueiredo also discussed this by saying that *“The donors were postponing and put in conditions. Some of them we could say ‘ok’ [to], but some of them it looked (...) for [the] government and many of us Angolans, more like excuses for postponing engagement in terms of funding.”* (Interview Figueiredo).

The donors conference was linked up to what several of my informants saw as the West’s responsibility for the civil war ravaging the country for decades. This adds a ethical dimension to the debate.

“I think it was immoral for the Western countries not to step up, because the destruction in Angola was a direct consequence of their politics. They destroyed most of our infrastructure, through rebel army that they gave all the means to do that, and when we started to rebuild the country they just started putting another condition that we had to fulfil. That’s neo-colonialism.” (Interview Fontes)

The moral responsibility of the West to contribute is here emphasised, due to the important role of the international community in the civil war. The Western failure to live up to the expectations is therefore labelled immoral, and historical lines are drawn to colonialism, by stating that the demands of the IFIs and the Western world in general are signs of neo-colonialism.

Fernando Pacheco, another prominent member of the civil society, added to this maintaining that:

“I think it was impossible for the Angolan government, at that time, to accept the conditions. This was because the Angolan government thought that Angola’s reconstruction was also a responsibility of the international community. After the elections in 1992, when UNITA restarted the war, the international community was not enough determined to stop the UNITA strategy for the war. When the UN recognised the results of the election, it was thought they could stop the UNITA strategy, but only in 2000 it was possible for the international community to stop the market for diamonds. This should have been done earlier. (...) But there were no roundtable without the conditions. In my opinion this was a mistake from the international community. The roundtable should have discussed the conditions, there should not been conditions before the roundtable. Meanwhile the Chinese came without conditions.” (Interview Pacheco)

Again we see Angolan representations that the Chinese involvement came as a result of the West stabbing Angola in the back after a civil war which the West to a large degree are being blamed for. Africa is represented as having been a forgotten and neglected continent until China arrived with no conditions. The West thereby lost its chance.

Not surprisingly this representation of the responsibility for the failure of a donors conference were not shared by Western diplomats. A Western diplomat said it in brief: *“[The international community asked:] ‘How are you using your oil business?’ ‘None of your business’ [The Angolan answer] meant that there was no donor conference. Many Angolans are still grumpy over this.”* (Interview). The usage of “grumpy” leaves not much honour to the other side of this conflict, and the responsibility for the failure is entirely placed at the Angolan government. What, as we have seen, several of my informants meant was a promise from the West to contribute, a senior Western diplomat referred to like this:

“[After the war ended] Angolans had this idea that there would be an international donors conference, where all the donors from all over the world come in and pledge large amounts of money to rebuild the country. That conference did never happen. The reason for why it did not happen was that the Angolans failed to satisfy the preconditions for that conference. In exactly having in place a program with the IMF which would help ensure that whatever resources were donated were in fact used appropriately. They did not make that

arrangement with IMF and the donors conference did not happen. As time went on, people were realising more and more that this country was awash in money, and that there really was not a need to contribute more money to the cause. In the absence of that donors conference, which Angolans will bring up to you constantly, Angolans will tell you they turned to China.” (Interview)

This representation presents the situation as the Angolans do not understand that the reconstruction of the country is their own responsibility. The preconditions demanded by the Western world are not questioned, as they are given. As a result of the economic growth in Angola, the reconstruction is later not seen as something the international community should feel obliged to help the Angolan government with.

Aguilar (2006:1) presents the situation as Angola’s difficult and troublesome financial situation had come to an end and that there was a mutual recognition that an agreement with IMF had become mostly irrelevant.

5.2.7 Variety of partners – Independent Angola

The importance of having a variety of partners was highlighted as a prioritised task for Angola. The Angolan government seems to work hard to preserve the feeling of national sovereignty, and it does not seem to feel obligated to China. The presidency keeps strategic control over the important oil resources through Sonangol (Corkin 2008:117). With its nationalist resources policy, the government seems to have no intention of aligning itself solely with Beijing. Instead they are seemingly developing a home-grown version of non-alignment, seeking diversification of sources of aid and concessional loans. However, there are no attempts to alienate the international community; the government eagerly strives after recognition of Angola as a major regional or even global player. An important step to do so was the OPEC cartel’s appointment of Angola as a member in January 2007 (Corkin 2008:120).

Lars Ekman discussed the Angolan strategy for development:

“They [the government] want to try to build up their own industry with high duty levels. One can discuss how realistic that is. Obviously, to build up under their

own companies which originate in the party and the state bureaucracy is probably not the best way to grow up a dynamic entrepreneur class.” (Interview Ekman)

There is an on-going Angolisation of the oil sector, but Aguilar (2006:4) notes that it is important to expand the non-oil economy as well, as it is there one will find the new employment that could reduce poverty in a significant matter. The process of recovery and expansion of the infrastructure and the resulting roads, railways, hospital, schools, and equipment requires financial resources and qualified personnel to operation and maintenance. The author claims that this is essential for the reconstruction to fully benefit the Angolan population. Angola faces a massive task to reap the profits of the rapid growth experienced. (Aguilar 2006:4).

However, the author maintains that the infrastructure projects may have a crowding in effect on private investments, by triggering new investments projects in the rural sector and in towns and cities in the hinterland. He points out how Angola formerly had a strong agricultural sector, and states that Angola in 2006 was close to reach food security (Aguilar 2006:12).

The Chinese influence in Angola has been claimed to be overplayed (Campos and Vines 2008:20). The authors argue that the Angolan interest for cooperation with China is primarily to reduce the dependency on their other development and commercial partners (ibid). This argument is illustrated by quoting President José Eduardo dos Santos: *“globalization naturally makes us see the need to diversify international relations and to accept the principle of competition, which has in a dynamic manner, replaced the petrified concept of zones of influence that used to characterize the world”* (José Eduardo dos Santos, presentation of New Year’s greeting by diplomatic corps, Luanda, January 10, 2008, as cited by Campos and Vines 2008:20). It is important to remember that even though China’s position is increasing, other countries are still very present. Angola recently bought a fleet of aircraft from Boeing, and the majority of new cars are imported from Japan, while computers and software are still of European origin. Simultaneous with the increasing Chinese share of Angola’s imports, the shares of India, South Africa, Brazil and Portugal are also increasing (Campos and Vines 2008:20-22).

Victor Fontes commented on Angola's position in the world: *"I think we are in a stage of development that in fact we need relationship with every country in the world if that was possible."* (Interview Fontes). Lars Ekman stated that *"[Angolans] wants to be their own master. It is very evident when one sees how broadly they try to cooperate economically, and that they actively are playing one country against the other, could one almost say."* (Interview Ekman, my translation). Tako Koning formulated it as *"The Angolans are still very much in the driving seat"* (Interview Koning). Through these representations one can observe that Angola is seen as a strong partner putting its independency high.

Ekman also reasoned about the motivation for involving China.

"[Chinese construction companies] put some pressure on the Portuguese construction companies who have dominated the Angolan market. (...) When the Chinese entered the construction sector it was reported that the construction costs per km² was reduced by 20-25 percent because they [the Portuguese companies] did not automatically get offers. From an Angolan position I think there is no doubt that China represents a good opportunity and has had a positive effect" (Interview Ekman, my translation)

This anecdotal representation draws lines to what has been seen as Western companies' abuse of Angola, which has already been noted in representations regarding the donors conference.

The position of Angola internationally was often mentioned. The fact that the country is quite independent from Western aid and the plenty of oil has strengthened this position, which is enjoyed by the Angolan population: *"In general Angolan people love when they heard that the government did not accept stress from West, China et cetera"* (Interview Pacheco). The pride of the Angolan population is once again mentioned, and there is an evident admiration for the government being strong. One could draw lines to the history of strong men leading African countries.

Possibly connected to this of the Angolan people, Pacheco continued: *"The government is arrogant because they have money from China, and opportunities due to increased oil prices. The role of China is extremely important for the situation now. The Western countries lost influence and opportunity of business, and in the end MPLA has too much power, because of*

these mistakes 5 or 6 years ago [the failure of the donors conference to happen]” (Interview Pacheco). In other words, the Western world is not only to blame for its failure to step up when the war was over, and the consequential Chinese entrance and Western loss of influence. It is also responsible for the ways of development chosen by the government presently, and that MPLA’s strong position harms democracy.

Kamia de Cavalho approached this situation from a different angle: *“We need to offer this as a way to see how Angola is immature in a political sense, and is not being played by the Western powers, as argued by China”* (Interview de Cavalho). In this representation the West is seen as supporting. However, the lacking history of democracy in Angola is a problem, and de Cavalho suggests that China inflames the negative feelings towards the Western world.

Seemingly not afraid of Norway’s position in competition with the Chinese, Lars Ekman stated that *“The doors are actively being kept open for other parties and investors as well”* (Interview Ekman). Carlos Figueiredo discussed the importance of oil as a factor making Angola independent from both Western and Chinese pressure: *“Economically, I don’t think Angola is very dependent. I think we are in a very comfortable position, we can make choice. We have the wealth of the oil, and we are going to keep having it for some time. We are dependent on the market, but that is something everybody is.”* (Interview Figueiredo). However he still maintains that:

“The engagement of China in Angola is an integrated one. They are not done through market, but through agreements directly with the government. (...)It’s a quite stable relationship; they are both countries highly dependent on each other. (...) China as a partner gives that room for manoeuvring that is quite important for our country.” (Interview Figueiredo)

There is a strong mutual dependency present in the representation. However, as the Sino-Angolan relations are quite stable, the Chinese entrance has given the Angolan government a good hand when negotiating with other countries and the IFIs.

5.3 Development

The nature of the representations about the development impact will naturally depend on how development is defined. I did not ask my interviewees directly about their definitions of development, but in this part I will mention some of the categories that were often mentioned as we discussed the development consequences of the Chinese presence.

The Sino-Sceptics emphasise the negative effects of the Chinese involvement in Africa. They attach importance to ideas such as good governance and anti-corruption – aspects of development not promoted too heavily by the Chinese. They are also emphasising lack of technology transfers, social development and poor quality of the work done by the Chinese.

The Pro-China position emphasise the economic aspects of development more than the social or democratic aspects. They tend to focus primarily on how the rebuilding of the infrastructure may help all parts of Angola taking part in the economic development going on in the country.

5.3.1 The general impact

Corkin (2008:118-119) maintains that the Chinese entry to Angola have made a positive contribution to the development efforts of Angola. She continues by claiming that given Angolan investments in diversification of the economy with the revenue from sale of oil, the future may look bright for Angola (ibid).

Campos and Vines (2008:19-20) agree that the Chinese investment might have contributed to poverty reduction in Angola. The expansion of the electrical and hydro-electrical infrastructure by the Chinese has secured electricity access to 60 000 new clients in Luanda alone, and the rehabilitation of the water supply systems has secured access to clean water for thousands of people. The reconstruction of roads, bridges and railroads provides access to formerly isolated parts of the country, and may increase commercial activities in all parts of the country. In addition the rehabilitation of schools, hospitals, health centres, and polytechnic institutes provides access to education and health for communities in which this has been virtually non-existing during the Civil War (ibid). However, when the large-scale projects have been completed, the question of how to maintain them arises. Due to the lack of

technology and knowledge transfer this could be a hard task for local companies (Corkin 2008:121)

Tony Guo, working for a Chinese construction company active in Angola stated that *“new technique, skill and information are brought in which are supposed to be useful. So, I feel great for our involvement here, just like China's development in accord with Reform Policy issued in 1979.”* (Interview Guo) Once again, it is easy to see the references to the official Chinese policy in statements made by Chinese informants. The Chinese companies are here as part of a large Chinese strategy and the objectives of this grand plan seem implemented in all levels of this strategy.

In a country severe unemployment rates lack of creation of jobs is of course problematic, and several of my informants referred to this as a major problem, as it were seen to harming the social development of Angola.

“But I think we could have used these Chinese investments in a way that could impact more socially – like creating jobs, reducing poverty and leaving knowhow. But having said that: I have heard the argument that Angolan labour force is not disciplined in the way Chinese is (...) It is much easier for them to use Chinese labour force.” (Interview Figueiredo)

The lacking development effects of the Chinese involvement are obvious, however, no blame is laid on China. The mistakes are done at the Angolan side.

Several of my informants reflected over the Chinese threat against Angolan jobs. Estebao Vieira, an Angolan working as a driver in Luanda, said it this way: *“I will say the government has made the wrong deal. (...) You see a lot of Chinese doing jobs which non-qualified Angolans could do. This is unacceptable in a country that has lots of unemployed people. (...) This is one of the reasons for why you see a lot of construction while it seems like many people get poorer.”* (Interview Vieira). The linkage between construction and poverty reduction is denied, and the differences in the Angolan society are highlighted. While there are visible signs of development, this does not help the poor. The social aspects of the Chinese involvement were also discussed by Victor Fontes:

“Of course we can criticise a lot of things, particularly in the social point of view, and we are very aware of that. We are a path that if the government doesn’t change some ways of doing things, we can enlarge the gap between the very poor and the very rich in a way that will transform the country in a very dangerous way in a social point of view, and a very unjust place” (Interview Fontes)

The threat of large class gaps are pointed at and it seems inevitable if the government does not change their strategies.

5.3.2 Infrastructure and construction

The most visible part of the Chinese impact in Angola is undeniable the infrastructure projects and the involvement in the construction business. While all my informants were positive to the reconstruction of the infrastructure network, there were voiced concerns that this alone was not alone to achieve lasting development, and the lack of technology transfers made some of my informants scared as to how one should maintain the infrastructure. It was feared that this could lead to Angola becoming more dependent on foreign countries for keeping up the investments done now.

Corkin (2008:118) argues that the Portuguese construction firms who have dominated the infrastructure sector for several decades have been overpriced and delivered substandard work. The entrance of Chinese competition provides incentives for improvement. Improved internal communication may prove vital in terms of market access for agricultural goods when the agricultural sector is developed.

A Western diplomat said rhetorically *“We think it’s good that the Chinese are here. The Chinese are doing a job that needs to be done. I don’t see anyone else doing it. I don’t see anyone else building thousands of roads, miles of railroads.”* (Interview)

Tako Koning drew lines to the Marshall Plan in Europe after World War II – a very effectual metaphor given the success of the Marshall Plan in rebuilding Europe.

“It [Angola] went through almost 40 years of war, so the infrastructure is terrible, especially out in the countryside in terms of roads, and railroads, and

power, and access to clean water, so bring in the Chinese seems to be the quickest way to rebuild the country. It's like the Marshall plan, in a way it's like a Marshall Plan for Angola. I know the deal is not very transparent, and it's based on expediency: Angola needing to get the country back on its feet, and China needing oil. It's as simple as that. That's the merge. It's the basis of it, and it seems to work for both.” (Interview Koning)

The symbolism is unmistakable. As Europe was ruined after the war, so is Angola after decades of civil war. Where the USA stepped up as the economical guardian angel for Europe in 1947/1948, China takes that role in Angola. For the USA the Marshall plan was essential to get the European market up and going for the American economy; for China the Angolan engagement is essential to get access to Angolan oil and continued Chinese growth.

Tako Koning linked the Chinese approach to the history of Canada, to show that the invitation of the Chinese is not something radically new:

“The Canadians when they went to build the railroad across Canada, they brought in the Chinese. The Americans brought in the Chinese. If you want to get the job done fast, and with a dedicated workforce, you do it with the Chinese. This was not the first time that this type of approach has happened.” (Interview Koning).

Once again the linkages to successful construction projects in the West make the representation of China in Angola more positive. It follows a pattern successfully used in the West earlier. Whether this is relevant for how it will work in Angola in the second half of the 2000s is hard to say.

Ferreira (2006:27) claims that recovery of agricultural production should be of highest priority, beginning with basic food stuffs before turning attention to export crops. Such an enlargement, he claims, could relaunch the manufacturing industry. The author adds that basic transportation infrastructure must be provided to stitch the country back together.

Keeping in mind the statement in the theory chapter about the connection between infrastructure construction and economic growth is a *plausible assertion*. The Chinese

involvement in Angola could in other words be positive for the economic development in Angola. Several of my informants were impressed with the Chinese role in the reconstruction of the infrastructure sector. Erik Holtar said that there were enormous improvements just the few past years: *“The agriculture sector is dependent on roads and railroads to get started. It is a prerequisite for opening the country for value creation* (Interview Holtar, my translation).

Where some criticise the lack of focus on social development by the Chinese, Tako Koning dismissed this:

“They’re here for a mission, which is improving the roads, or the railroads, or the power plants, maybe sewage systems. And that’s it. So I don’t think they take such a broad view on the development impact of what they’re doing. But that’s not their mission. They’re not here as NGOs. So it’s a different situation.”
(Interview Koning)

In Bistandsaktuelt (24 Aug 2006), unnamed NGO workers put part of the blame for lacking social development on the market oriented Angolan government, in addition to remarking that there is no history for welfare policies in Angola. Estebao Vieira criticised the lack of action the recent years commenting: *“You should consider that most of what is happening now is because of the elections. It has not happened anything at all earlier”* (Interview Vieira). This representation reflects the distance between the rulers and the ruled, which has already been discussed. As the former has not been dependent on the latter, little has been done. When the election finally came closer, the former had to show that the voters should choose MPLA, and things did finally happen.

Lars Ekman voiced concerns as to the long-lasting effects of the decisions done presently: *“They have means and possibilities, so the question is whether one is able to use these resources and possibilities in a smart and strategically way. There are those wanting fun and festivity at present.”* (Interview Ekman, my translation). Whether the Chinese will bring development depends in other words on the government’s decisions; not China’s and not the West’s.

Allan Cain, working for the NGO Development Workshop, was quoted by the Irish Times (26 Aug 2008) by saying *“some of the projects are simply wasteful prestige projects such as*

sports stadiums that will burn a lot of that credit line for results that won't produce economic returns in the long term for Angola." Carlos Figueiredo explained this more in detail:

"What you have in the North – the things that are visible are very shiny. It's very attractive to have big building – the biggest building in Africa etc. All these things are very shiny. Our leadership is very strongly attracted to these shiny [things]. You can show, and you can take credit for it. All of [the reasons] are bad reasons." (Interview Figueiredo)

Schiller (2005:4) claims that China through its engagement in Africa reinvigorates an older, crude style of development, thereby re-establishing an era of so-called *white elephants* and prestige projects which gives little benefit to local people. He quoted Ross Herbert from South African Institute of International Affairs saying: *"You end up with a stadium, but there's no knock-on effect, no financial benefit. It all goes back to China."*

However, prestige buildings, while not doing anything particular for the development of the countries, can be said to provide the regimes with physical signs of power increasing their legitimacy (Alden 2005:150-151). The increased national feeling as a result of *"shiny things"* arguably exists. As an illustration of this, Valter Campos was impressed by the prestige buildings constructed by the Chinese, while at the same time praising the effectiveness of Chinese companies. It is evident that the fact that the Chinese contributes to visible changes may have a positive effect in itself:

"There is a building next to the parliament; quite tall. I think one of the tallest right now. People were surprised; it took them less than three months! So they are quite fast. They actually make things look different. By looking at the roads, by looking at buildings, by looking at the structures, things are being different. People are actually thankful to the Chinese. Although we do not care what they do with their culture, but we are grateful for what they do. If you hire Chinese and say you want your house in three months, you get it in three months." (Interview Campos)

I will now turn to the representations of the specific development consequences of the Chinese involvement in Angola.

5.3.3 Quality of the projects

Several times during my stay I discovered that the perceptions regarding the quality of the Chinese products differed greatly from person to person. Carlos Figueiredo stated that “*There are perceptions that they [the Chinese] are fast, cheap and not very good quality*”, an opinion voiced by many of my interviewees. While driving outside Luanda I was several times told that run-down roads on which we drove had been new-built just a couple of years ago. A Western diplomat referred to his own experiences:

“I’ve seen myself projects where the quality is very poor: Roads with tarmac that less a half inch thick. I saw it with my own eyes in Kwanza Norte. It was fallen apart. Those [are the] disadvantages of the Chinese engagement, but on the other hand they’re building thousands of kilometres of railroads and roads, and it’s good. The country needs its infrastructure rebuilt. (...) I don’t think it’s a question of haste that leads to the bad quality. I think it is a question of diversions of resources, and if money is diverted, then that money is not used to buy tarmac.”

(Interview)

Here China is represented as a necessary evil. The quality of the Chinese work is low, but nobody else wants to take their position.

Valter Campos, working for a Chinese infrastructure company, agreed that the quality of the Chinese projects sometimes could be low. To illustrate this he used an example from the construction business: “*It is easy for us to say that this house looks terrible, but we have to know the terms of the contract. (...) I deal with this: Low price equals low quality*” (Interview Campos)

Victor Fontes, on the other hand, disagreed that the Chinese projects are of poorer quality than others:

“I know relatively well the country, because I travel a lot. I have not that opinion. (...) If I compare the roads that they are doing with the roads that other

companies are doing – and we have companies from different parts of the world doing roads specifically – I don't think the Chinese are worse than the other ones.” (Interview Fontes)

It seems like Angolans have experienced bad treatment and high-priced low-quality workmanship for so long, that the Chinese eventually is seen as no worse.

5.3.4 Technology transfers

One theme that came up in most of my interviews, either on initiative from my informants or because I asked about it, was technology transfers. China provides cheap technological transfer opportunities to China. Western technology tends to be more advanced and high-tech and Chinese solutions might therefore be more suitable for Angola than the Western ones (Campos and Vines 2008:19), however several of my informants maintained that the actual technology transfers are limited due to the nature of China's involvement. There was no agreement as to whose fault the lacking technology transfers were. Estebao Vieira was quite critical to what he saw as lack of technology transfers:

“I don't see any transfer of technology from China to Angola, based on the fact that we have no training of Angolans in Chinese companies. You may find some Angolans working for the Chinese, but only in very basic positions. I think they should employ Angolan engineers and so on. In that way we could have technology transfers” (Interview Vieira)

In this representation there is no focus on the lack of capacity which we have already talked about. This representation does not fit with the situation presented by Campos and Vines (2008:42) who claimed that competent Angolan companies are overworked. The disproportion between the demands in this representation and what the Angolan pool of workers can offer is large.

A Western diplomat also discussed the lacking of technology transfers, by saying “A *second negative is that technology therefore is not being transferred. If you look at bulldozers, trucks, they're being driven by Chinese, operated by the Chinese. Angolans are not learning how to operate these effectively*” (Interview). Kamia de Cavalho from UNDP also complained over

lacking technology transfers “*We are actually supporting the Angolan government finding technology. I have not heard from the ministry, with whom we are working with, anything about transfer of technology from China.*” (Interview de Cavalho) Both these representations blame the Chinese for not involving Angolans more and the consequent lack of technology transfers.

Carlos Figueiredo, however, refused to lay the responsibility of lacking technology transfers on China, saying that: “*The absorbing capacity is not very high, if you do not take that in to consideration you risk not to benefit from technology transfer. We receive technology in terms of equipment, but not in terms of knowledge.*” (Interview Figueiredo). This view was shared by Victor Fontes:

“My opinion on that is that the knowhow transfer and the technology transfer in general depends more on our capacity to organise ourselves, and have a clear commitment to get this knowhow from the companies that will do the work here and will install the equipment and so on, than from the donor country” (Interview Fontes)

The responsibility for absorbing the positive effects of technology transfer is here laid on the Angolan society in itself.

Tony Guo, while being less than impressed with the Angolan society, was more positive as to the chance of technology transfers to happen:

“People here are bad-educated and do not have idea about something. Although our technique is not so advanced as that in western countries in some fields, local people can receive fundamental information and skill for living. For example, in our workshop. Chinese workers would like to teach and implant knowledge to them. (...) Those who work in Chinese Companies definitely can obtain knowledge if he or she wants to improve themselves or earn much money. While projects are completed, they have ability to hunt other job based on what they have learnt in Chinese Companies. This might spread new idea and knowledge to others, which might develop the new companies or institution they take part in.” (Interview Guo)

5.3.5 Social development

As stated earlier, the Chinese focus is not on social development in itself. Several of my informants commented on this, some of them quite negative to the impact of China. Fernando Pacheco claimed that *“China has brought infrastructure, economic growth, authoritarianism, arrogance and less democracy. When bringing so much money the Angolan government chose a strategy for economic growth that is bad for Angolans.”* (Interview Pacheco). In this representation it is clear that the negative effects are graver than the positive effects coming as a result of the reconstruction of infrastructure.

Carlos Figueiredo commented on the lack of multiplier effects due to the lack of Angolans on the construction sites:

“I think it is a pity. Construction work, construction of buildings, roads, railroads, can absorb lots of labour. If you do it in a way that to generate jobs for Angolans it can have a very strong impact on social condition, in terms of generating multiple effects on our country. It is much easier to bring their own disciplined labour. They live in their construction; they have all their life there” (Interview Figueiredo).

Still, Figueiredo emphasises the potential of the reconstruction, if it had created jobs for Angolans. The Angolan labour force is not disciplined enough, and this damages the potential social developmental effects.

Several of my informants discussed the possibilities for Angolan workers. A Western diplomat told me that *“Angolans can be day labour. There are quite a number of Angolans on large projects. Unlike Western companies, Chinese companies have no commitment to train these workers. There are strict labour rights only in oil companies”* (Interview). Valter Campos, however, claimed that *“In our company we got some engineers, some builders, some administrative employees. Less than 20 percent of Angolans are in leading positions. The rest is on lower levels”* (Interview Campos). While there obviously are Angolans working for Chinese companies, they are not as many as many would prefer. It might seem like the hopes

attached to the Chinese involvement are too high; that many wishes for a combination of a Chinese and Western approach which is hard to realise.

Fernando Pacheco criticised the lacks of the Chinese involvement as a means to create lasting development, and laid parts of the blame on the Western world due to their rejection of having a donors conference. This representation uses metaphors of computers and cars to show how there is something fundamentally wrong with Angola today. There is incoherence between what is provided with Chinese support and what Angola needs in a social perspective. T

“In my opinion Angola cannot grow at this level. The Chinese support gives the computer or hardware, but they cannot give the software. We need someone to create the regulations to manage the hardware. With Chinese money we cannot do this. We are building more and more infrastructure, but we miss the other parts. We got the car, but we have no driver. They build schools, but we have no teachers. In my opinion this is a result of Western way of thinking in 2002. They did not understand that they had to create trust. Now this is too late.” (Interview Pacheco)

Surrealistically Carlos Figueiredo told that Angolan companies having contracts due to the agreement that 30 percent of the contracts should go to Angolan companies, were sub-contracted to Chinese companies: *“Local companies are sometimes subcontractors by Chinese and vice-versa, so they start getting links with Chinese companies. I have heard that sometimes local companies have contracts, and they hire Chinese companies to do it, as their prices are much lower”* (Interview Figueiredo). This even further reduces the positive effects of the Chinese investments for transfer of knowhow and technology.

5.3.6 Political development

A lot of the criticism against China in Africa have been concerning the policy of non-interfering which is seen as threatening for those promoting human rights, democracy and good governance. Lars Ekman discussed this:

“China is a very central topic in many discussions here, both when it comes to financing of the infrastructure sector, and when it comes to the discussion about

system of governance. There is a kind of worry from several Western European countries whether this means that one [the Angolan government] will not implement those reforms that were started earlier.” (Interview Ekman, my translation)

Tako Koning also discussed what he saw as the negative aspects of Chinese involvement for democracy’s sake. By separating between him as a Canadian, and him as a person living in Angola, he created an interesting effect, as the former is negative, while the latter is more positive. In other words whether Chinese involvement is positive or negative depends on what ground you start your argumentation.

“If I wear my Angola Hat I see the benefits of having them in here, but on the other hand you wouldn’t want the heavily influenced in the politics over here, because basically China represents a country which don’t have a tradition of democracy. And if I wear my Canada Hat I certainly wouldn’t have them heavily involved in my country, and in my country’s development, because I don’t like their political system.” (Interview Koning)

5.4 China’s involvement

I will now more in detail discuss the perceptions on the development consequences of the Chinese involvement in Angola, on which there were large differences depending on who I talked to. One could see that different narratives were underlying my informants’ perceptions, even though it was hard to see a major division line between those for and those against the Chinese involvement. Victor Fontes discussed the way China is rapidly changing: *“China is trying to change the perception the world had of them. They start playing the role of an economic superpower.”* (Interview Fontes).

Several instances of cultural misunderstanding and racism have been reported. Concerns have also been raised about the limited use of Angolan labourers, and the disparities in Chinese pay-scales. Claims have also been expressed that Angolans are mainly employed to avoid the inflexible labour-law regime, and thus, the real job opportunities are marginal. Noticeable, even Angolan companies eagerly import and use Chinese labour, as these are considered more productive than Angolans. Strong Angolan labour-laws, skewed in favour of the workers, are

regularly abused, and this discourages the employers from contracting permanent staff. The agreement guaranteeing fifty percent Chinese materials reduce the positive spin-offs the Chinese engagement potentially could have (Corkin 2008:117-118).

As the political benefits and economic advantage gained by the elite of Angola is not matched by those gained by the average Angolan, the risk for tension and civil unrest is high. The current popular passiveness towards the Chinese is not guaranteed to continue (Ferreira 2008:314). Even though efforts for training people in key sector are done, the deficiency in human and institutional capacity is very difficult to solve. There is a threat of long-term dependency of China or the traditional donors (Campos and Vines 2008:25).

Tako Koning discussed the underlying fundament of the decision to hire the Chinese: “*This is a country with high unemployment, why should the Chinese be doing it? Well, that’s the way the Chinese operates. They want to do the whole package.*” (Interview Koning). China differs from the West in its approach, but it is hard to get a best of both. In other words, ether you get China, or you do not get China.

5.4.1 China’s Motives

A theme that was often brought up during interviews was the Chinese motives for entering Angola. Kenny Gong answered “*the idea of ‘South-South cooperation’*” when I asked about the main motives for China’s involvement in Angola. There are obvious linkages here to the Chinese official African policy, while Gong simultaneously highlight that SSI is an independent oil company (Interview Gong) .

China is increasingly obtaining the favourable position as an important strategically ally for the Angolan government, due to the favourable nature of the loan (Corkin 2008:112). China may be argued to intrude into the IFI’s traditional domain of influence in Angola, thereby undertaking the potential control of domestic policy and affairs. Furthermore has Angola become one of the most important oil suppliers for China, even periodically undertaking the position as *the* major source of oil from Saudi Arabia (Corkin 2008:112). Sino-Angolan relations seem to be directed by commercial imperatives; hence the Chinese investors will only invest in projects seemingly profitable, albeit with a longer perspective than other multinational oil companies (Corkin 2008:117).

However, access to minerals was the most commonly mentioned motive: *“I’m convinced that if they are willing to give these loans, it is not because we are beautiful, but because they have some economic interests here and they try to get some presence particularly in the mineral sector in Angola”* (Interview Fontes). After denying the motives stated in China’s African policy (Ministry of Foreign Affairs of the People’s Republic of China), earlier mentioned, Fontes reasoned *“They are not making that for our sake, but of course that we can benefit from that disposition. In the end we see that most of our infrastructure is being rebuilt by Chinese money.”* (Interview Fontes). It could, in other words, therefore be seen as mutually benefiting.

5.4.2 China as a friend

The Chinese ambassador in Luanda, Zhang Bolun, was quoted by the Irish Times (26 Aug 2008) saying: *“We came to Angola for the good of the local people, not to become another coloniser.”* He expanded on this by using the same frame of references as the official policy:

“The relationship is about much more than Angola’s reserves of crude. For now the necessity of exporting oil is paramount, but the basis for development of co-operation between China and Angola is to create a win-win situation to help Angola out of its difficulties. There are some necessities from the Angolan side that we Chinese are capable of providing. It’s not just about getting oil.” (The Irish Times 26 Aug 2008)

Angola’s Deputy Prime Minister, Aguinaldo Jaime, was quoted by the Irish Times (26 Aug 2008) discussing the Sino-Angolan relations. Questioned about reported setbacks in the relations, he answered: *“In any negotiation there are sometimes setbacks. Just because parties sometimes cannot agree on a particular business does not imply the relationship is not good. As we like to say: business is business, friendship is friendship”*.

The usage of “friendship” in this representation indicates that the Sino-Angolan relationship is special, and supports de Cavalho’s statement (p.76) that the relations between China and Angola has similarities to the relations between Cuba and Angola during the cold war.

Jose Eduardo dos Santos did indeed sign off on a number of new contracts while visiting Beijing for the Olympics in August 2008, a point made clear by both Jaime and the Chinese ambassador in Luanda, Zhang Bolun (The Irish Times 26 Aug 2008). Xinhua News Agency, the official Chinese press agency, quoted in February 2009 ambassador Bolun that he and President dos Santos had “*discussed issues concerning bilateral cooperation on how to best execute current projects between the two countries and work together to face the world financial crisis.*” (Xinhua News Agency 18 Feb 2009). This statement is another part of the Pro-China position. China and Angola are united as one, and face the enemy (here the finance crisis) as partners.

In January 2009, Agência AngolaPress, the official Angolan news agency, reported that Chinese Commerce minister, Chen Deminz had stated that China will assist Angola with projects helping diversify the country’s exports, with a view to the development of its economy. Regardless of the world financial crisis, he said, China will increment cooperation with Angola, by reinforcing cooperation in the sectors of agriculture, education and health, including the fields of light industry and telecommunications (Angop 18 Jan 2009).

In March 2009 new credit lines were agreed between Jose Eduardo dos Santos and president of China Development Bank, Chen Yuan. Yuan stated that further Chinese financing of social and economic projects may be granted in 2009, stressing his confidence in the Angolan government while saying that he believed the perspectives of cooperation are very good (Xinhua News Agency 13 Mar 2009). As late as 26 March 2009 the Chinese ambassador in Luanda officially stated that “*the relations between China and Angola are excellent and the best in history of the ties.*” (Xinhua News Agency 27 Mar 2009). In June 2006 President José Eduardo dos Santos described the Sino-Angolan relations as a mutually advantageous and pragmatic partnership with no political preconditions. Later in the same speech he simply stated: “*China needs natural resources and Angola wants development*” (United Nations 2007).

Kenny Gong, working for Sonangol Sinopec International, also enhanced the positive effects of the Sino-Angolan relations: “*With the fast development of Chinese economy, Chinese government try it best to get most help from all countries and give more support to developing countries worldwide. I believe Chinese government is pursuing the win-win relationship between China and Angola with increasing Chinese investment.*” (Interview Gong).

Xinhua News Agency (19 Jun 2006) reported that the “*mutual understanding and political trust between China and Angola has deepened, as cooperation in various fields has expanded and bilateral ties have developed steadily since the two countries established diplomatic ties in 1983.*” It was further stated that:

“The friendly and cooperative relationship has been further broadened as China and Angola have shared much common ground when dealing with international affairs. Angola upholds the one-China policy, considering Taiwan as an inseparable part of China and backing the Chinese government's principle and stance on peaceful reunification. Angola also provides China with invaluable support in the field of human rights.” (ibid)

As all these representations illustrates, the good Sino-Angolan relationship seems to be living on. China and Angolan are mutual dependent and have mutual interests. The two countries cooperate in a large variety of sectors. Interesting to notice is the last representation, in which the lack of human rights is seen as positive.

5.4.3 China as a threat

In sharp contrast to these representations, Professor Helge Rønning, were quoted by the leftist monthly Ny Tid claiming that the Chinese involvement in Africa is classical imperialism. He fears that Africa once again will be locked in a trade pattern where Africa sells raw materials and imports finished products, thereby harming the development on the continent (Ny Tid 03 Feb 2006). Obviously, Angola may illustrate the contentions of his representation. 99 percent of Angola’s exports are oil and diamonds. Possible reasons for this was discussed in the context chapter and included civil war and unsuccessful policies. Whether this will change is hard to say presently.

While, as mentioned, the Chinese involvement in the infrastructure sector were appreciated and provided competition for the Western firms which earlier had dominated this sector, the idea of Chinese involving themselves in sectors now dominated by Angolans made several of my informants fearing for the future.

“What we are starting to see are Chinese people opening small stores, like photocopying things or photo shops, we can see Chinese people selling things in the street. That is a sort of competition I think is not correct (...) my fear is that that can create conditions to have confrontation with our people. And that is very dangerous. (...) I emphasise the dangers coming from the involvement of the Chinese communities in activities that will compete directly with normal activities the population do. That worries me a lot, because as far as they are doing railways, airports or roads, I think nobody cares and people will be happy to have these things working again, and they will greet the Chinese people that are doing that.” (Interview Fontes)

A senior Western diplomat discussed the same:

“Angolan population has mixed feelings to Chinese. ‘Will the Chinese go home?’ There are people talking to me: ‘there are hundreds of thousands Chinese here!’ I don’t know how many Chinese there are here. I find it hard to believe there are hundreds of thousands, but they are afraid they will stay, and go into business of all kinds of things – take jobs from Angolans, take opportunities from Angolans. That’s how they see it. The Chinese are often reclusive, they keep to themselves. They don’t mix well.” (Interview)

These rumours concerning the number of Chinese in Angola have similarities to the rumours about Chinese criminals being sent to Angola. The insecurity concerning the Chinese involvement is a result of the lack of information, and creates fear for the Chinese. This narrative, where the Chinese are represented as an invading horde of semi-scoundrels threatening ordinary Angolans jobs, is countered by the narrative where the Chinese are more down-to-earth than Westerners in their Land Cruisers, which has already been mentioned.

Linked to this, several of my informants claimed that China abused the privileges they have compared to other countries.

“Our import tax is ridiculously high. If you have a situation where a group of people is not paying anything and in my view – because I have seen it – really abuses that privilege, then that creates a situation with quite a bit of tension. You

can argue that they are helping the country, without people saying we are also living here, we are also helping the country – without bringing rice and staple food from Beijing” (Interview de Cavalho)

Noticeable, the feeling of being treated unfairly compared to the Chinese is very evident. This seed of conflict might be dangerous in the future if not handled by the government. De Cavalho followed up by stating that *“Sometimes they could be just simply importing stuff that are banned everywhere, but can be sold here. [...] Nobody will check what you are bringing.”* (Interview de Cavalho). Estebao Vieira focused on the situation for Angolans working for Chinese companies, and the government’s responsibility for them:

“I had a chance to talk to Angolans working for the Chinese. Most of them have no contract. They can work for one week, then out. But the problem is not the Chinese; it is the [Angolan] government. They should set up some rules and inspections to see what kind of contracts the Chinese companies give. I find the Chinese companies worse even for the Chinese. If you visit the Chinese camps the conditions are really poor.” (Interview Vieira)

Both Vieira and de Cavalho are negative towards parts of the Chinese involvement, and both these arguments could be seen as rumours to blacken the Chinese efforts. However, the formal responsibility is evidently laid on the shoulders of the Angolan government.

The Chinese engagement has been criticised for not creating jobs for Angolans. As formulated by a senior Western diplomat: *“The Chinese are not generating the jobs they should be generating here. When you leave Luanda you’ll see Chinese road crew for example. You find that almost all the work, even the most manual tasks, are [done by] Chinese”* (interview). Through this representation generating jobs for Angolans becomes a responsibility of China.

Bistandsaktuellet (24 Aug 2006) quotes José Cerqueira, an independent Angolan economist, telling that several enterprises, in addition to the labour unions, feel let down and are dissatisfied with the Chinese-Angolan agreement. The disappointed is particularly large as the construction sector is an important sector for the future, with high profitability and high demands for labour.

5.4.4 China as no different from the West

Shinn and Eisenman (2008:1) argue that the Chinese interest in Africa differs slightly from the USA's. However, the authors state, the two countries can cooperate in many fields for the mutual benefit of Africa.

I asked Victor Fontes more in detail about the Chinese infrastructure companies, as he worked in the sector and his company had been co-operating with Chinese firms on several projects. I tried to find out whether the Chinese represented anything new in the construction business compared to firms from other countries working in Angola. He stated that

“It [our cooperation with the Chinese] is a normal sub-contractor contract, exactly the same as we do with Portuguese companies or a Brazilian one. It is no special relationship (...) for certain kinds of projects there is an obligation from the Chinese companies to subcontract Angolan companies. (...) that is why they must make a subcontract with some Angolan companies – to fulfil that requirement. We can analyse the things in different perspectives: If we are speaking about economy I can't see much different if the money comes from the United States or Norway or China. (...) the problem most of the time is that the difference between what is written and what is practice, because if we analyse what is written I must say that these loans, and the rules that the government try to implement are better with the Chinese loans than the other loans in the past.”

(Interview Fontes)

To add up to this draw lines to historical events:

“In the past we had the same phenomenon from other countries. It was an era where there were a lot of French and Italian loans, and then a lot of French and Italian companies. Then, after that, there was a Spanish period, with lots of money from Spain, and lots of companies from Spain. And now we're in the Chinese era. Of course the difference is that the Chinese loans are a lot bigger, than the ones we got in the past. It means that the Chinese presence increased a lot the past three years. They are doing infrastructure projects where a lot of

manpower is needed. And there is a lot of Chinese manpower in these projects. That is a difference if we compare with the projects with the other countries in the past.” (Interviews Fontes)

These representations represent the present Chinese involvement as quite similar the other foreign involvement throughout the history. The major difference is represented as the difference in size of the involvement. Lars Ekman discussed the matters through the same lines of thought: *“As all others, I think they [the Chinese] have to work for their positions. It is clear that the Chinese finance lines are the heaviest”* (Interview Ekman)

Everything is not reported to be bright for China in Angola. In addition to large failures such as the breakdown in the Sonaref discussions other problems also happened. A well-informed Western diplomat told me that *“Angola is a career-breaker for Chinese bosses. Angola has been tough for them, and several are now working in some distant province in China. This results in that it is seen as lucrative to lower the quality a bit to get profit, and therefore it seems like it is poorer quality on the roads here than in China.”* (Interview) Joao Neves discussed this, and his conclusion was that even though the Angolan government in his view is not good at policies, they are really good at politics (Interview Neves).

5.4.5 The future - plans ahead

As discussed earlier, several of my informants feared for the future if Angolans start feeling that the Chinese immigrants steal their jobs. A Western diplomat I interviewed saw the Chinese involvement as a long-term one, proposing the recent increase of Chinese women immigrating as an important signal: *“The Chinese are here for a long period. The number of Chinese women has increased to a high degree the recent years.”* However, the diplomat quickly played this down by saying *“Still I would not say it is a Chinese invasion. Of the Chinese, 90 – 95 percent are males on one-year contracts. Some come back, while some stays in China”* (Interview). Carlos Figueiredo questioned the future for the Chinese in Angola and its social consequences: *“How many Angolans are going to learn Chinese? How many Chinese are going to start having Angolan female? Are they staying? Are Angolans going to visit their family in China?”* (Interview Figueiredo).

According to the Chinese ambassador in Luanda, Zhang Bolun, “*very, very few Chinese citizens are aiming to settle long-term here in Angola. (...) It is very difficult for people who come from the East to adapt to the climate and other aspects of life here*” (The Irish Times 26 Aug 2008). He thereby dismissed that the Chinese will become a threat against Angolan jobs, and created distance between the lives of ordinary Angolans and the Chinese working in Angola. By doing this he creates a representation that the Chinese do no harm.

Fernando Pacheco focused on the possibility for Chinese companies to profit from the Angolan market:

“Up to now the Chinese are here only for infrastructure, but I believe they have a strategy for long time. I suppose they have interests in creating market in Angola. They sell things here and are contributing to the creation of the internal market. It is not possible for ordinary people to buy a car. Chinese cars and motorcycles are much cheaper. In rural areas you can now see electric generators. This was impossible some few years ago. The situation changed when the Chinese entered.” (Interview Pacheco)

As Angola is a country with plenty of resources, and a quite low population, the market undoubtedly has potential to be good at a later stage, and Pacheco understand the Chinese involvement in Angola as developing the internal market with hopes of getting profits at a later stage.

The Irish Times (26 Aug 2008) cited Qui Shou Ying, commercial director for Sino-Hydro, a Chinese state-owned company contracted to several infrastructure and construction projects, including roads, water supply systems, and schools at “*Angola desperately need help in reconstructing their country after the war. It is very important for our company to do a good job in helping Angola develop*”. The remarked sense of mission in this representation is very evident. Almost as a big brother, China steps up to help Angola. The only reason mentioned for the involvement in Angola is to contribute to the development. This is one of the clearest examples of the Pro-China position.

5.4.6 Cultural Conflicts

The lack of social and cultural relations was several times highlighted as a source of conflict and mistrust for Sino-Angolan relations. While acknowledging what he saw as positive effects of the Chinese involvement, Valter Campos remarked that:

“I have seen that since the time they came into the country things have been going fast, because they are quick doing their job. But of course in everything there are advantages and disadvantages. Chinese culture is different from the Angolan culture and I believe it to be one of the strangest cultures in the world.”
(Interview Campos)

This position was shared with Victor Fontes:

“Of course there are things where they are not very good. Some of the products they are selling us are not very good. There are dangers, particularly that one of the communication. In fact what we see is that they are in the economic sector. We don’t have any development in for instance cultural sector. That is something I think is important if a country is having a growing emphasis to another country it is important to give more away that they must be more understood for the country where they are working, and these kind of cultural interchange doesn’t exist at all. The Chinese are not doing more than coming here and making buildings and roads or railways. (...) That is not in my opinion a good approach to cement a relationship.” (Interview Fontes)

Apparently the expectancy to China includes more than just construction assistance. Keeping the phrases about friendship and partnership fresh in mind, this is maybe not that strange.

In December 2008 Xinhua Press Agency, however, reported that *“China urges the injection of vigor to China-Angola partnership of cooperation, which calls for the two countries to pay more attention to cooperation on human culture, especially in the fields of culture, education, journalism, judicature and sports”* (Xinhua Press Agency 17 Dec 2008), following President dos Santos’ official visit to China.

Interestingly, Valter Campos was apparently quite free-spoken about the relations between the Chinese and the Angolans the company he worked for.

“I would say that Chinese people are not that easy to create a relationship with, because they got their own culture and their own habits. (...) They don’t speak Portuguese or English. In term of technology I would say that the Chinese are very bright, and they are very clever. (...) But they are not willing to teach. If you work under a Chinese company you will have to find your own way to do your own job because of lack of communication. Not much relationship between the Chinese and the local people. That creates problems for us to get more knowledge. Certain companies, American, English, Japanese, give some space for some guys to teach and help developing skills – very good for them. Unlucky for us working under Chinese companies, there’s been a lack of teaching in Chinese companies unlike the other companies. (Interview Campos)

To create long-term relations under such conditions seems hard. There are also differences between the Western way and the Chinese ways, regarding to spread of knowledge. When asking more in detail about the mistrust within the company, he explained:

“I do not trust the Chinese, and they do not trust me as well. Although when we work we try to make good relationship in the offices, in our working. I will say there is no relationship – a major disadvantage for the Chinese. Other foreigners are interested in learning the language, culture. China is not like this. Chinese they don’t care about people’s culture. Sometimes I find them strange. They are so different from us. I have been to many countries myself, but they seem to be more friendly and more interested in learning about you. I think they got a problem because of the market communism. Normally they are not allowed to talk about whatever going on in their country. So they are quite closed themselves.”
(Interview Campos)

Valter Campos shows signs of alienation working for a company which seemingly does little to integrate the Chinese and the Angolan workers. The friendship and development mission is harder to identify in his representation of the Sino-Angolan relations. However, as showed

earlier, Campos praises the effectiveness of the Chinese, and the overall impact of the Chinese in the infrastructure and construction businesses.

A Chinese I met in Luanda told me during informal talk that he did not trust the Angolans either and that “*Black people's behaviour usually makes us disgusting*” (informal conversation). When asking what he meant by ‘disgusting’, he said: “*There exists somewhat impulse to beat them*” (informal conversation). This could be interpreted as a two-sided lack of trust, which I did not feel when talking to Angolans working for non-Chinese companies and Westerners working in Angola.

6 Conclusion

This thesis has shown that the Chinese involvement in Angola is diversified and developing rapidly. The primary categories of cooperation are economical and political cooperation. These are interconnected through governmental-owned Chinese enterprises. We have seen that the developmental effects of the Chinese involvement are disputed.

In the analysis chapter the concept of narratives has been used to better understand the Chinese involvement. Two positions towards the Chinese involvement have been identified, namely the *Pro-China* and the *Sino-Sceptics* position. It has been displayed how the informants through representations forms positions and how these positions are elastic, flexible and shifting, as the dispute studied had indistinct and uncertain fronts.

The discourse studied was delimited through the identification of the three categories *Angola, development and China's involvement*. These categories are constituted by the two positions' representations forming narratives of the Chinese involvement in Angola.

6.1 Pro-China

The *Pro-China* category represents Angola as a place with an enormous potential. The Chinese involvement is seen to contribute to activate this potential. Therefore, the Chinese involvement actually *is* mutually benefiting as proposed by China's African policy, as China gets access to Angola, and Angola gets assistance to initiate the potential.

The *Pro-China* position represents the Chinese as friends coming to assist Angola to develop. The position gives the Chinese the credibility for everything that does work now, which did not work before the Chinese entrance. The *Development* category discusses representations on the development effects of the Chinese involvement in more details, in addition to provide a contribution to what development actually is. For the latter, the *Pro-China* position tends to focus on visible changes, for instance reconstruction of infrastructure. These changes are praised and seen as contributing to get the whole country integrated in the economy. As presented in the theory chapter, the assertion that improved infrastructure leads to economic growth is plausible, which provides legitimacy for this representations. Facing critics about lacking technology transfers, the *Pro-China* position tend to represent this as an internal Angolan problem by pointing at the low absorbing capacity.

It is evident that many of the informants see the Chinese involvement as a direct consequence of what is represented as Western duplicity at the end of the Angolan civil war. The representations generally divide the blame for the negative effects of the Chinese involvement between the Angolan government and the Western world. The Chinese get limited responsibility for anything except the positive contribution to reconstruction of infrastructure. It may seem like as Angola has experienced so much exploitation from the Western world through eras of colonialism, civil war and disregard, that the Chinese involvement, notwithstanding, will be seen as positive. The Chinese involvement is represented as providing visible changes, and it represents an alternative to the Western world, which is appreciated. The *Pro-China* position stresses that currently, there is no alternative to China.

6.2 Sino-Sceptics

The category of *Sino-Sceptics* tends to focus more on the negative sides of the Chinese involvement in Angola. The lacking domestic capacity removes the potential spin-off effects of the Chinese involvement, which removes the potential development effects of the Chinese involvement and makes China yet another imperialist. The representations about corruption show how the Chinese involvement is represented to contribute to the continuous problems with corruption in Angola. Through *Sino-Sceptic* representations, it is made obvious that corruption is an endogenous problem for China, and that the corruption in Angola continues as a result of this.

The *Sino-Sceptics* blame China for contributing to the current problems in Angola. There is a focus on what is seen as a lack of positive development in the social and political sectors, and the Chinese involvement harms the focus on development in these sectors. Many of the infrastructure and construction projects are labelled as *prestige projects* and *white elephants*, or . In addition, their representations criticise the quality of the projects.

The representations of this position label the Chinese negatively as threatening Angolans' jobs and creating unemployed. It is seen as unreasonable that the Chinese do not hire more educated Angolans, as this could contribute to increased transfer of technology, which would contribute to a positive development. Connected to this is the representation that the Chinese abuse the privileges they get from the Angolan government.

6.3 A more nuanced approach?

Both sides tend not to pay attention to the arguments of the opposite side. Some of this might be reasonable. Even though representatives of the official China deny that China is involved in corruption, there are inconsistencies between these official Chinese statements and the Chinese practice at lower levels. The critics of the quality of the Chinese projects will often neglect the details of the contracts or not compare the Chinese projects to projects of companies from other countries. A common agreement is probably that there should be more focus on education of Angolans, to increase the capacity of knowledge and technology transfers.

In addition to the representations pointing at the contrasts between the Western involvement, there are also representations claiming that there is no difference between the Chinese and the other foreign countries involved in the country. Thereby, some of the sensational aspects of the Chinese involvement are removed.

It has been shown how some of the narratives – due to power relations and the vast differences between the rulers and the ruled – seem to dominate the discourse. Further, it has been shown how this, combined with the West's participation in the war-torn history of Angola contribute to the lack of critical voice.

6.4 What type of development does the Chinese involvement represent?

The essence of the analysis is that whether the Chinese involvement contributes to positive or negative development depends on what ground one starts the debate, i.e. how development is defined. It has been shown how the two positions regarding the Chinese involvement is based on contrasting fundamentals, thereby illustrating that there is no objective standard of development, as discussed in the theory chapter.

The main focus of the argumentation for the *Pro-China* position regarding development is modernisation. There are obvious links to the schools of modernisation theory and structuralism. Development is seen as a linear process, and the role of the public sector is important. Structuralism theory adds to the way of understanding of the *Pro-China* position, by involving the international system as the analytical level. The world economy represents

both possibilities and limitations for Angola, and the Angolan government seems to be inspired of the strategies of import-substitution in its strategy for rebuilding of the country. The comparisons to the Marshall Plan and construction of railroads in Canada illustrate this line of thought.

On the other hand, the *Sino-Sceptics* seem more inspired of more recent development paradigms. The main focus is on ideas such as *good governance*, *democracy*, *human rights* and *poverty reduction*. These concepts, which have been in the centre of attention in Western aid in the Third World during the recent decades, are understood to provide a path of development better suited to provide development for all groups of the population. According to this line of thought, the modernisation theories are outdated. According to them, the modernisation theories are characterised by *White Elephants* in the development context. Moreover, several examples of failure of modernisation projects can be provided; in fact this was the chosen strategy for Western aid in the initial decades of development aid. On the other hand, hopefully some lessons have been learnt since then. The dimensions of the present Sino-Angolan adventure are also larger than the first Cold War-era aid-funded projects. Whether the Chinese engagement becomes another white elephant in Africa – this time even larger – or it will be remembered as the *Marshall plan for Africa* remains unknown.

As have been shown, the focus of attention when discussing the development impact of the Chinese engagement in Africa defines our understanding of the consequences, as argued initially.

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Appendix 1: Standard Interview Guide

1. Opening:

1.1: What is your profession/occupation/position?

The theme for my master thesis is “How is the Chinese involvement in Angola experienced to affect the development of the country?”

1.2: How do you notice the increased Chinese involvement in Angola?

2: Development Effects:

2.1: How do you feel the increasing Chinese FDI, in general influence the development of Angola?

2.2: Chinese companies are a major player in the important construction business in Angola, and are mainly employing Chinese workers. Could one say that Chinese companies are dominating or dictating the development of Angola?

2.2.1: To what degree does this form the decision making of authorities in Angola?

2.3: How dependent is Angola on high oil prizes for the economic growth rate to continue?

2.4: Sinopec has in several cases entered the Angolan oil sector in joint ventures with Sonangol. How is Sonangol included in decision-making, production and management?

2.4.1: Do they get access to new/specialized technology?

2.5: To what degree do you feel these effects occur as a result of the Chinese FDI?

Technology transfers

Spread of knowledge: management, marketing and network access

Creation of jobs

Vertical linkages to local companies

Spin-off companies? Upgrading of existing non-extractive industry?

Innovation networks

Access to Chinese markets? Access to Western markets?

2.5.1: Differences between Chinese and Western companies?

2.7: How would you evaluate the development effects of the Chinese investments and other involvement, compared to the effects of Western investments and involvement, for instance aid?

3. Local employees:

3.1: To what degree do Chinese companies use local employees?

3.2: Do Chinese companies employ local staff on other than the lowest levels?

3.3: Does this differ from investing foreign companies from other parts of the world?

3.4: How do Chinese companies treat Angolan employees?

3.4.1: Are there communication problems? Or racism?

4. Local perception:

4.1: From your perspective, how would you say that the average of Angolans sees the increasing Chinese involvement in the country?

4.2: For which reasons do you think it is so?

5: Motives:

5.1: What would you say are the main motives for China's involvement in Angola?

5.2: Resource-seeking FDI has been said to just to a very small degree give positive externalities. On the other side we see that China finances important infrastructure projects, including ports, railroad and roads. What is your opinion on this in Angola?

5.3: Do you feel that China has other motives than resource-seeking for establishing in Angola? Angola as a powerful country in the region?

5.4: China has portrayed itself as the world's largest development country, building its Africa-policy on "Sincerity, equality and mutual benefit, solidarity and common development" and as a defender of sovereignty based on "the principles of independence, equality, mutual respect and non-interference in each other's internal affairs". How does this, in your opinion, suit to reality?

6: Ending:

6.1: Are there other development aspects of the Chinese FDI you would like to mention?

6.2: Do you know other people I should have talked to concerning this?