Working Between Confrontation and Harmony

--- Investigation of Employment Practices of Chinese Enterprises in Africa

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Background

- Rapid growth of Chinese economic activities in Africa

Source: MOFCOM of P.R.C.
Background

- Areas of Investment
  - Construction
  - Energy
  - Mining
  - Manufacturing
  - Telecom
  - Agriculture
  - Service
Employment

Topics

- Influx of Chinese Workers?
- Low Wages?
- Poor working conditions?

- Hard work?
- Disciplines?
Influx of Chinese Workers?

- State of Local Employment
  - Various ratios of local worker by sectors

Source: The Ministry of Finance of Angola, June 30, 2007
<table>
<thead>
<tr>
<th>Country</th>
<th>Tenant Companies (signed)</th>
<th>Tenant Companies (in operation)</th>
<th>Tenants: Approx. # of Chinese workers</th>
<th>Tenants: Approx. # of African Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt TEDA</td>
<td>49</td>
<td>38</td>
<td>103</td>
<td>1102</td>
</tr>
<tr>
<td>Zambia Chambish</td>
<td>36</td>
<td>26</td>
<td>1372</td>
<td>7973</td>
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<tr>
<td>Nigeria Lekki</td>
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<td>6</td>
<td>50</td>
<td>400</td>
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<tr>
<td>Mauritius Jinfei</td>
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<td>0</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Nigeria Ogun</td>
<td>34</td>
<td>7</td>
<td>177</td>
<td>1619</td>
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<tr>
<td>Ethiopia Eastern</td>
<td>12</td>
<td>6</td>
<td>300</td>
<td>1600</td>
</tr>
</tbody>
</table>

Source: Field research
a large number of Chinese workers have come to Africa recently.

Number of Chinese Workers in Africa

Source: MOFCOM
• employment of local workers is both encouraged by governments and motivated by economic calculation (reduce labor costs)
• early reliance on Chinese employees
• related to Chinese companies’ labor intensive business models.
• short term need and long term trend
Low Wages?

- No clear unambiguous answer

Case study: two Chinese tanneries in Ethiopia
Low Wages?

- Quick return vs. long term investment
- Low wages first and increasing pay incrementally
- Chinese perspective vs. African perspective?
- Employer perspective vs. employee perspective?
Poor working conditions?

- Investment first and enjoyment later: “eat bitterness” and African acceptance
Divergent views on working and living conditions

- e.g. labor protection and safety issues in mining

  3 accidents/week vs. 1 accident/month
Hard work?

- stereotypical perception of Chinese work ethics and African characteristics
  - “the Chinese do not rest;”
    “their work cannot be done by human beings;”
  - “slow”, “inefficient”, “backward,” or simply “lazy.”
  - learn spirit of hard work
Questions
What makes up hard work?
Overtime? Heavy load?
Disciplined Organization?

- Punctuality

“Late arrival is delay, early arrival is waste, punctuality is integrity.”
Authority and Paternalism

“100% cooperation, 100% understanding, 100% implementation and 100% obedience”
Conclusion

- Capitalist Logic
  pursuit of profit, and forever *renewed* profit, by means of continuous, rational, capitalistic enterprise –Max Weber
  Industrialization transforms traditional society

- Adaptation and Social Integration
  capitalism with Chinese characteristics vs. capitalism with African characteristics

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