China-Africa Joint Research and Exchange Programme: Forum on China Africa Co-operation (FOCAC)

Drawing Lessons for African Integration from Accelerated Development in China

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ABSTRACT

The paper identifies and analyses the main vectors of China’s accelerated development including economic, governmental, cultural, educational, infrastructural, technological, and agricultural reforms, examining how these serve as models of poverty eradication, the work draws ideas for the acceleration of development in Africa. It presents a holistic overview from which applicable lessons can be drawn. The paper acknowledges the fact that China is a unitary state with more than 1.3 billion people, whilst on the other hand, Africa, despite a general consensus to reduce poverty, is a continent with now over one billion people spanning 55 fragmented economies. What lessons can be drawn from the development experience in China to accelerate the African integration agenda? The paper argues that China’s success today is largely due to the nurturing of a visionary and dedicated leadership system based on an orderly succession system; capable and competent bureaucracy; effective policy planning and co-ordination; and policy discipline. In recommendation, the paper suggest that Africa strengthens and broadens regional policy planning and co-ordination mechanisms taking into consideration the global political economy context and the continent’s psycho-social structure.

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The views expressed in this paper are those of the authors.
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1. INTRODUCTION

The development of the People’s Republic of China (PRC) has been a remarkable achievement in terms of its rapid pace and global impact. The emergence of China as one of the five largest economies in the world at the turn of the 21st century has attracted the attention and admiration of developing and developed countries. The Chinese experience provides useful lessons for Africa at a moment when the continent has attempted several models and methods of development since political decolonisation began in the 1950s. The Bretton Woods-funded Structural Adjustment Programmes (SAPs), in the mid-1980s through the mid-1990s were generally a failure leading to their abandonment.

The African development paradigm and vision has been to overcome the ravages of colonialism through integrating the fragmented 55 countries of vastly different sizes into a larger economy where the movement of labour, capital and goods is open. Regional integration is envisioned as a means to create a larger economy with greater political cohesion for the attainment of socio-economic development, with the ultimate motive of generating wealth to improve the livelihoods of the people and reduce continental poverty (AfDB, 2000).

The integration and development vision of Africa shares a background similarity with China in that the latter is achieving rapid development through effective national policy governance. It should be underlined, that Africa is a continent of 55 sovereign countries presided over by different governments whose integration process is co-ordinated by several RECs. The pertinent dissimilarity is that China is a unitary state whose vast geographical expanse, 1.3 billion people, 23 provinces, five autonomous regions, two special administrative regions of Hong Kong and Macau, four provincial-level municipalities, various municipality, county and town-level units have largely been under the governance of a single state since more or less the 17th century. The greatest fit has been the ability of China, since the Qing Dynasty, to slowly integrate the very disparate regions towards common development and transformation.

This paper will explore the identified five main vectors of China’s accelerated development, namely: (a) effective policy coordination and policy discipline, (b) rural development and poverty reduction, (c) infrastructural development, (d) the role of science and technology, education, and research and development, and (e) industrial development and export-oriented growth.

The main thrust is to identify practical lessons that can be drawn to push the African integration agenda at national, regional and continental levels. Greater focus will be devoted to lessons with respect to policy governance, given that China successfully administers development policy over a very expansive polity, which is similar to Africa by historical, geographical and demographic comparison; but Africa grapples with coordinating regional integration processes with little economies that are weak and fragmented. While it is a general comparison, it should be stated from the onset that focus will be mainly on the SADC region to illustrate arguments that will be raised in the discussion.

The paper will proffer recommendations on how aspects of the Chinese experience can be harnessed by Africa and by African Regional Economic Communities (RECs) and countries to identify, frame, coordinate and implement their regional integration plans, policies, programmes and projects, and to effectively benefit in this regard from the opportunities generated through increasing co-operation and collaboration with China under the Forum on China Africa Co-operation (FOCAC).

2. BACKGROUND

The sharing of experiences between China and Africa builds on an age-old relationship of co-operation and engagement. China and Africa have been involved in commercial relations for at least several hundred years, and there is firm archaeological evidence of Chinese products found in coastal
Mozambique and Kenya, far inland at Great Zimbabwe and elsewhere (Garlake, 1973), at a time when Africa was producing gold and precious minerals, cotton and fabrics, and agricultural produce (Mudenge, 1989). The recorded history of China-Africa relations is usually traced to the voyages of Admiral Zheng He of China who visited many African polities in the early 15th century (Menzies, 2002).

In the latter half of the 20th century, after the liberation of China, diplomatic relations were established with some African countries. The first of these was Egypt in 1956. This was after the 1955 Bandung Conference in Indonesia, which aimed at promoting socio-economic and cultural co-operation between African and Asian states as well as to oppose colonialism and neo-colonialism (Marafa, 2009). China also began to work with African countries on the liberation of large parts of the continent still under colonial rule.

Following the formation of the Organisation of African Unity (OAU) in 1963, the United Republic of Tanzania became the seat of the OAU Liberation Committee in 1964 and worked ever more closely with
China on material support and training for the liberation of most countries in Southern Africa (Martin and Johnson, 1981; Mbita, 2006). China was actively engaged in the economic support for countries already politically independent, completing the Tanzania-Zambia Railway (TAZARA) in record time in the early 1970s to release Zambia from dependence on South African transport routes through Southern Rhodesia.

Co-operation strengthened with the conclusion of several bilateral and multilateral agreements, and the majority of African countries now have official diplomatic ties with China. Chinese and African leaders have had many high-level exchanges of visits to strengthen the bilateral relationship since the visits of Prime Minister Zhou Enlai to Tanzania and elsewhere in 1963/1964. African countries have since hosted many Chinese leaders, mainly government ministers and party leaders.

The establishment of the Forum on China Africa Cooperation (FOCAC) at the first summit of Chinese and African leaders held in Beijing in 2000, and thereafter alternating between Africa and China, has served as a dialogue mechanism and framework of co-operation to further strengthen the partnership. China-Africa relations have evolved and developed since the first summit, with four FOCAC 3-year plans implemented over the next decade.

The 5th Ministerial Conference of FOCAC in mid-2012 formally recognized that African integration and regional trading blocs are a priority for support within a core theme of development, highlighting diversification, innovation and sustainability through collaboration at all levels of society (Johnson, 2012). This is also expressed in the China’s African Policy Paper.¹ This co-operation offers significant opportunities for accelerating the African goals of unity, integration and development, but also introduces challenges of defining new operational methods as China-Africa co-operation has been mainly bilateral.

China is now Africa’s largest trading partner, investor and source of development aid in the areas of infrastructure, health, agriculture and technical assistance. Africa’s emergence as an integrated economic power requires, in addition to trans-boundary infrastructure development, new ways of thinking and new perspectives on governance, integration and policy-making, as distinct from the inherited colonial systems and perspectives.

To show the importance that China attaches to its relationship with Africa, the continent was the first destination after Russia for the newly elected Chinese President Xi Jinping when he visited Tanzania, South Africa and the Republic of Congo in March 2013. The visit coincided with the 5th Summit of the BRICS countries (Brazil, Russia, India, China, South Africa) held in Durban, South Africa. All visits to Africa by Chinese leaders have affirmed China’s commitment to work with Africa in all sectors of development based on the values and principles of solidarity, non-interference, common development and sincerity.

These values that the Chinese government continues to espouse in its engagement with Africa are well-received in a continent emerging from the harsh colonial experience, and these values are also critical ingredients used in China to succeed in administering policy governance and development over its different regions and provinces with diverse ethnicities. The Chinese experience should not be taken as a smooth path with no stones, but as with any development process, learning comes from errors as well as the achievements. Africa’s development paradigm of unity, integration and poverty reduction can thus be informed by China’s experiences given the foregoing context.

¹ China published its first African Policy Paper on 12 January 2006 which is a framework for engagement with Africa.
3. STATE OF REGIONAL INTEGRATION IN AFRICA

The legacy of African colonial history is the sub-division of the continent into several small and fragmented economies traceable to the 1884/85 Berlin Conference on Africa. The 55 African countries have long acknowledged that with generally low per capita income, vast but untapped natural resources and single-commodity dependence, they cannot individually effectively sustain growth and development within the global economy. Thus, the best strategy for Africa is overcome the limitations of the colonially imposed boundaries through mapping regional networks over the colonially-imposed boundaries and aim to attain economic growth through enlarged markets, greater co-operation and inclusion in the Global Value Chain (GVC) has been the rationale for African economic integration (Davies, 2012).

The underlying theme for African integration was founded in the pan-African vision of the founding leaders of the OAU – predecessor to the African Union (AU) – such as Kwame Nkrumah, Julius Nyerere and others. Their vision at the formation of the OAU in 1963 was to promote unity, solidarity, cohesion and co-operation among the newly independent African states while advancing their economic development and accelerating the liberation of those African nations still under colonial rule. The founding fathers reasoned that the promotion of unity and solidarity among African states was crucial for securing the continent’s independence, and long-term economic and political future.

African co-operation has expanded over the past 50 years, resulting in the formation of Regional Economic Communities (RECs), with economic integration agendas. These RECs have recorded varied successes in terms of attaining set milestones of their defined regional integration agendas (Maruping, 2005).

The adoption of the Lagos Plan of Action (1980) and the Abuja Treaty (1991) renewed the impetus towards regional integration across the continent with the ultimate goal of establishing an African Economic Community. The Heads of State and Government of the African Union at its formation in 2002 supported the pursuit of regional integration as the continental development strategy (ECA, 2012).

These two agreements, the Abuja Treaty and the Constitutive Act of the African Union, form the legal and policy framework for accelerating regional integration in Africa and have targeted the establishment of a continental Free Trade Area (FTA) by 2017 through the eventual merger of the eight existing RECs recognized by the AU Commission. Such continental integration will be achieved through eliminating barriers to trade, removal of restrictions to movement of people, establishment of continentally integrated physical infrastructure networks, and enhancing socio-economic and political co-operation.

African integration is basically on course, according to the Abuja Treaty deadlines. FTAs have been established in all but two RECs, and most are now working towards establishing Customs Unions. Although progress is being recorded toward African integration, the road is beset with challenges emanating from varying levels of national development and related socio-economic challenges across all the RECs.

2 The RECs recognized by the African Union Commission are the Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Community of Sahel-Saharan States (CEN-SAD), Economic Community of West African States (ECOWAS), Economic Community of Central African States (ECCAS), Inter-Governmental Authority on Development (IGAD), and Arab Maghreb Union (UMA).

3 The ECA (2011) progress report on African integration reveals that of the AU-recognized RECs, only CEN-SAD and IGAD do not have FTAs. Only the EAC has a Customs Union. The Abuja Treaty deadlines to strengthen RECs was 1999, establishing FTAs was 2007, and establishing Customs Unions is 2017.
4. PROSPECTS AND CHALLENGES FOR AFRICAN INTEGRATION

Africa has the potential to integrate faster than the current pace because of an inter-play of factors. The continent is the second largest and second most-populous in the world, and has a critical mass of human capital potential. The fast-growing population, estimated to have passed one billion before 2011, is projected to reach 1.3 billion by 2020.4

Africa has the largest mineral deposits in the world in terms of quantity and diversity and, despite being home to the largest number of least developed countries, it has the second fastest economic growth rate after Asia, growing at an average five percent per annum in recent years. Africa is often regarded as the next emerging growth frontier after Asia. According to the African Development Bank (AfDB), the abundant agricultural, mineral and energy resources available in Africa make the continent the “growth pole” in an ailing global economy (AfDB, 2013).

However, there seems to be little acknowledgement of the progress made with varying levels of success in the RECs in Africa. This progress includes the substantial elimination of barriers to the movement of goods, harmonisation of customs administration processes and procedures, free movement of people, formulation and implementation of regional infrastructure development programmes and projects (notably transport corridor development), and increased co-operation in regional peace and security issues.

The envisaged COMESA-EAC-SADC Tripartite initiative, that seeks to merge the 26 African countries that make up these RECs into a single and larger FTA with a combined population 565 million people and a total GDP of US$ 1.2 trillion, deserves special mention. It lays the basis for the envisaged continental FTA set for 2017. This will be a milestone achievement considering that the proposed Tripartite FTA represents a combined population that is over 50 percent of the African total while the GDP is over 50 percent of Africa’s economic output.

Notwithstanding these achievements, the pace and scope of African integration is confronted by a plethora of challenges which may seriously threaten reversal of the gains experienced so far, if not well-managed.

The generic factors against African integration are the absence of effective REC institutions with the power to enforce decisions agreed at regional and continental level; lack of effective policy coordination; lack of adequate funding resources for regional integration programmes, projects and activities (Maruping, 2005); and overambitious and unrealistic goals and timeframes which are not complemented by the necessary political will to implement regional agreements, treaties and protocols.

In addition, the existence of different and at times conflicting ideologies and development paradigms at national levels; the overlapping membership conundrum; inadequate and inequitable mechanisms to spread and share the costs and benefits of integration; political instability; non-diversity or non-complementarity of African economic production systems (ECA, 2012); lack of a multilateral approach when negotiating or dealing with non-REC entities; and limited inter-REC information sharing are common challenges of integration in Africa.

5 The figures vary from the AU, AfDB, ECA and the UN system, including which year the 1 billion figure was reached, but this is the generally accepted order of magnitude.

5 The work of SARDC’s Regional Economic Development Institute (REDI) is informative on the Tripartite FTA. www.sardc.net
It is hoped that the new dispensation in regional integration ushered in by the Tripartite initiative will resolve the longstanding overlapping membership conundrum, which has caused delays in the African economic integration agenda. Several countries on the continent belong to several RECs, each pursuing different economic co-operation targets and at various levels of integration. Technically, a country cannot belong to more than one Customs Union. In a Customs Union, members agree, among other issues, to charge a common external tariff to third countries. Yet COMESA, EAC and SADC have all attained FTA status, and are at various stages of establishing separate Customs Unions. COMESA and the EAC have launched their Customs Unions while the launch of the SADC Customs Union, initially set for 2010, was deferred to a later date.

However, the above challenges are general. Davies (2012) says the critical issues affecting African integration are not tariff liberalisation issues *per se*, rather it is the lack of regional infrastructure that connects Africa and lack of productive capacity. The other critical challenge is absence of effective frameworks for policy planning and coordination, and lack of adequate financing capacity for regional integration. The rest are development issues that would need national development policy interventions.

It is from the above challenges that the Chinese development experience can offer lessons that can help Africa in its pursuit for accelerated integration.

**5. CHINA’S ACCELERATED DEVELOPMENT EXPERIENCE**

China went through underdevelopment challenges that are almost similar to those in Africa before embarking on nationwide economic reforms in 1978. China is now ranked second in the world in terms of total foreign trade volume in international trade after the United States. The country has a literacy rate of over 90 percent, GDP is US$ 7.318 trillion, a GDP growth of 7.8 percent in 2012 (down from 9.3 in 2011 and 10.4 in 2012), and rural poverty declined from around 250 million in 1978 to 36 million in 2009 (Weiming, 2011).

Of importance for African integration here is how China manages to achieve successful policy planning and coordination throughout the various administrative regions of several provinces, autonomous regions, municipalities and special administrative regions. Attention should also be paid to how the Chinese government has managed to successfully put in place infrastructure connecting the various regions and provinces. Africa can draw lessons from how China has sustained the rapid upliftment of its people out of poverty through agriculture and rural development strategy, a feat that the African integration process can benefit from.

It is important to draw lessons from how China was able to maintain and sustain an orderly succession system that ensures smooth political transitional processes which is necessary for stability and growth. It is how the country manages to court cross-region investment to facilitate industrialisation and technological development that has led to a boom in Chinese exports.

A closer look at the Chinese development agenda and the main vectors of China’s development will assist to unravel the key lessons that may fit the African context, and how these can be applied.

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6 The total foreign trade for China reached $3.87 trillion for the year 2012 according to the *Foreign Trade Situation Report of China (Spring 2013)* published on 2 May 2013 by the Chinese Ministry of Commerce.

7 www.chinadaily.com.cn/bizchina
6. THE CHINESE DEVELOPMENT AGENDA

It is useful here to briefly unpack the competing perspectives on the ideology that guided the Chinese development agenda. There is much debate around the understanding and interpretation of the Chinese growth and development “model”, but there is general consensus that the Chinese development process was not guided substantially by a single ideology. Rather pragmatism replaced ideology as the key to economic development (Ravallion 2008).

China was pragmatic enough to borrow positive aspects of the capitalist open economy and blend these with the positive traits of socialism, and apply these to their own situation. Thus the ideological underpinning of Chinese development is neither capitalist nor socialist (Boleta 2007), but rather it is conceptually positioned between a liberal open economy and a centrally planned model.

The Chinese government has defined its economic model as socialism with Chinese characteristics which draws on Leninism, Marxism, Maoism, Soviet and Dengist theories to form an ideological orientation that is now referred to as the “Beijing Consensus”. Itself differentiated from the famous capitalist “Washington Consensus”, according to Professor Jianwu (2007), by the fact that the Beijing Consensus (socialism with Chinese characteristics), “utilises all the fruits of capitalist civilization”.

China’s growth and development, which began in earnest after the introduction of reforms by Premier Deng Xiaoping around 1978, has been characterised by a considerable degree of state-guided economic liberalisation, a policy referred to as Gai Ge Kai Feng meaning “change the system, open the door” (Dollar, 2008). The same policy, with modifications and adjustments, continued to guide development in China under subsequent leaders such as Jiang Zemin, Hu Jintao up to the current government led by Xi Jinping. This gave more latitude and space for the growth of private enterprises, liberalisation of trade and investment paving way for rapid economic growth and development.

This contribution maintains that the instructive significance of the Chinese success in development in this regard is not the choice of the development model per se adopted by China. Rather, it was, and still is, the distinctive ability of the Chinese government to progressively identify constructive and positive aspects of the numerous theories and ideologies which had been tried elsewhere and be able to espouse them into policy plans that can be sustained country-wide over regions and provinces with different natural, economic, ecological, and socio-ethnic diversity. This should be inspirational for Africa’s integration.

7. UNDERSTANDING THE MAIN VECTORS FOR CHINA’S ACCELERATED DEVELOPMENT

The focus here is narrowed down to the five main vectors of Chinese development experience as highlighted earlier: 1) effective policy coordination and policy discipline; 2) rural development and poverty reduction; 3) infrastructural development; 4) industrial development and export-oriented growth; and 5) the role of science and technology, education, research and development.

The African integration process should be informed by a thorough conceptualisation and understanding of main vectors of China’s development. The essence here is not necessarily “what” China did (policy-specificity). Rather real focus should be on understanding “why” they did it and “how” it succeeded (that is, analysis of the dynamics and mechanics of policy drivers and policy execution). In approaching China comparatively in this way, the cycle of uprooting and transplanting policies that have succeeded elsewhere only to fail when applied on African soil, can be prevented.

7.1 POLICY PLANNING AND COORDINATION IN CHINA
In any development process, the bedrock of sustainable development is policy prudence together with the existence of capable systems and structures for effective policy planning and coordination. As noted by Chow (2011), planning symbolises the tradition of collectivism of the Chinese society. This is complemented by what Ravallion (2008:16) refers to as “strong public administration and strong state institutions which were capable of implementing supportive policies”.

7.1.1 Effective and Inclusive Policy Planning, Monitoring and Review

The critical success factor of the Chinese development experience remains the ability and capability of the Chinese government to formulate development policies and strategies across all sectors in the form of Five-Year Development Plans (FYPs) through a balance of centralised planning and decentralised governance processes, notwithstanding the vastness of the country in terms of geographical extent, decentralised institutions of governance and a population of about 1.3 billion. This ensures that the details and thrust of the national development mission, vision, goals, objectives and intentions are not only shared across all levels of government but also well-coordinated for effective delivery. This is not an easy task in such a populous and expansive polity.

The Chinese political system and public administration is a progressive blend of centralised planning and decentralised governance. This has been complemented by the establishment of capable and able institutions to coordinate the formulation, implementation, monitoring and evaluation of public policies and national development plans at all levels of government within and between the central government, the 23 provinces, the five autonomous regions, the four provincial-level municipalities, the 333 municipality-level units, the 2,862 county-level units and the 41,636 town-level units across the width and breadth of China (Xu, 2011).

China’s development programmes are embodied in FYPs which have been critical for policy control and guidance since they were initiated in 1953. FYPs are development blueprints initiated as frameworks and tools of national economic and social development across all sectors with clearly specified policy goals, policy targets and detailed implementation guidelines. The Communist Party of China (CPC) is central in the national planning process of FYPs and it provides guidance and direction to the whole policy planning cycle and issues contained in the plans, through its key organs, that is, the Central Committee and the Political Bureau (APCO, 2010).

Currently China is implementing its 12th FYP (2011-2015), whose theme is “rebalancing the economy, ameliorating social inequality and protecting the environment”. Important to note here is the CPC philosophy that the organization’s political legitimacy is always derived from socio-economic development for the Chinese people, hence its deep commitment to inclusive growth and development as a priority (Jinping, 2012).

To complement the role of the CPC, the National People’s Congress (which is the Chinese legislature) and the Chinese People’s Political Consultative Conference (CPPCC) provides a platform to allow the Chinese people to critically debate the contents of the FYPs at all levels of government through lengthy consultation processes and heated debates (APCO, 2010). The State Council provides guidance for the key themes within the FYPs whilst the National Development Reform Commission (NDRC) – a government “think tank” that is organized into several functional bureaus, administrations and committees – and Line Ministries construct the FYPs’ targets and play an oversight role in coordinating the implementation of the FYPs respectively. However, it is not a secret that the level of openness and space of genuine participation still remains a topical issue in China with voices increasingly calling for the need for political reforms aimed at strengthening participatory democracy and political pluralism.

Through effective decentralisation, local government institutions are responsible for constructing local and regional FYPs. This facilitates a bottom-up approach to policy making and ensures functional
decentralisation necessary for policy ownership and policy coherence which are both essential ingredients of effective policy implementation and practical policy delivery.

7.1.2 Functional Decentralisation in Policy Planning and Coordination

Another key characteristic of Chinese policy planning and coordination is the regular monitoring, comprehensive evaluation and review of FYPs by a variety of players at central, provincial and local government level with the involvement of outside experts. The FYPs undergo review between the third and fifth implementation years. The vigorous participatory review and revision of the FYPs at policy level, technical level and stakeholder level throughout the course of implementation certainly assist in the continuous focusing of various targeted policy initiatives and identification of appropriate interventions for the achievement or attainment of policy targets. This should be a lesson for African integration programmes.

Thus the participatory centralised planning which is characterised by a considerable degree of decentralised policy control and coordination has emerged as one of the most critical pillars of Chinese development success. It facilitates accountability at the central government level whilst at the same time allowing the various political parties, civil society organisations and ethnic minorities in the diverse provinces of China to identify and define their specific needs and priorities. It is through the system of ethnic regional autonomy that China’s 56 ethnic minority groups (with a total population of 106 million by 2012) concentrated in the five provinces of Tibet, Qinghai, Xinjiang, Yunnan and Guizhou are allowed to meaningfully participate in the national development process under state leadership and guidance (China’s White Paper on Political Democracy, 2005). Notwithstanding the cross-region inclusion and involvement provided through the Chinese political consultative processes, regions such as Tibet and Uyghur in Western China, among others, have for long criticised Beijing for allegedly marginalising and neglecting their communities from participating in national political processes and economic development (Beam, 2014).

This effective administrative and political decentralisation of policy governance and control has also been augmented by fiscal decentralisation to allow local governments to be innovative in revenue generation, investment promotion and smooth implementation of policy programmes and projects locally (Xu, 2011). Can this not present valuable lessons to Africa’s often disjointed, protracted and fragmented regional policy control and coordination?

7.1.3 The Role of Leadership: Vision, Stability and Policy Continuity

The success of China’s FYPs in terms of attainment of targets is a consequent of its quality and visionary leadership together with its ability to constitute and maintain a well-functioning, motivated, professional and capable bureaucracy. As observed by Ratliff (2004:19), the visionary trait of Chinese leadership is assisted by an orderly transition and succession system in governance that facilitates continuity in development while assuring a stable political system. Granted, China is not immune from succession politics. The leadership struggle that preceded President Xi Jinping’s transition which involved Bo Xilai, the CCP Chief in Chongqing who was later imprisoned on graft convictions in September 2013, is a classical case in point. However, the Chinese Government has always invested concerted efforts to ensure that its reform processes are not adversely scuppered or interrupted by transitional politics since the leadership of Deng Xiaoping up to the current Xi Jinping leadership.

This is a rare phenomenon in Africa where transitional political processes are often punctuated by periods of instability, internal upheavals, and civil wars. This has been a cause of Africa’s undoing after decolonisation, and a cause for concern, considering the repercussions associated with abrupt and unnecessary regime change in any development process. The cross-border socio-economic and political effects of conflicts and upheavals, especially given the fragility of African economies, are definitely a
stumbling block as they result in policy discontinuity and uncertainty which delays national development and African integration.

7.1.4 The Efficient Structure of Chinese Bureaucracy

China has a lean and streamlined central government. It has undergone bureaucratic and administrative reform since the late 1970s in quest of delivery efficiency. With a population of over 1.3 billion people, China has just 29 government Ministries whose work is made easier by the existence of delegated institutions in the form of national commissions and administrative offices under the State Council. Previously these were more than 40 in the 1990s.

It is China’s tradition to reshuffle Ministries from time to time with the objective of streamlining government and boosting efficiency. This year, China has restructured its government for the 7th time since reforms after 1978 (Morning Star, 2013). For example, the Ministry of Railways was dismantled and some of its functions merged with those of the Ministry of Transport. Administrative institutions were created to boost efficiency and reduce corruption and leakages. The Chinese system of administration eliminates overlapping government functions and it is because of such dynamism that it continues to maintain its efficiency and relevance.

This has not been the case in most African countries and RECs secretariats where systems of administration are often overly bureaucratic or may lack transparency, consequently resulting in compromised accountability. While there has emerged contemporary challenges such as public sector corruption and administrative inertia which the Chinese government is grappling with, it is from the quality of state leadership and orderly succession systems to bureaucratic capability characterised by meritocracy, that China offers valuable lessons for African institutions of integration.

7.2 AGRICULTURAL DEVELOPMENT AND POVERTY REDUCTION

The accelerated socio-economic development in China has generally been regarded to have its historical foundation in agricultural sector reforms which has been the core strategy for rural development in China. The Chinese government has made poverty reduction an important goal of national development, with poverty alleviation programmes and related agricultural sector reforms.

China implemented agricultural reforms with government material and policy as a poverty reduction strategy through food security, adequate clothing and raising of income for people living in rural areas. As noted by Fan and Chang-Kan (2005), initial focus was on rural impoverished areas especially in Gansu, Hebei, Tibet, Yunnan, Guizhou, Shaanxi and others which are arid, mountainous, drought-prone and suffer from infrastructural deficit.

Today, China can produce to feed its population that constitutes 21 percent of the world’s total population despite having only 10 percent of the world’s arable land and a one-quarter of the average world water resources per person. Only 14.8 percent of China’s total land area is arable.

The scarcity of land in China and abundance of labour has been its comparative advantage. The OECD (2005) states that the majority of crop production in China is on tiny farms measuring around 0.65 hectares and by 2005, there were around 200 million such farmlands.

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The question is how China manages to feed its huge population against a background of limited per capita arable land area and ecological adversities in most regions? Of importance is the manner in which China has managed to study and understand the key inhibiting factors to agricultural production; the region-wide economic, ecological and socio-cultural differences; and the corresponding policy decisions to adopt region-specific interventions which were all being placed at the centre of government financing and/or support.

To the government, the communal land tenure system of collective land ownership did not give peasants incentives to produce optimally, lack of physical infrastructure affected market access, limited government investment in agricultural research and development delayed modernisation and discovery of new crop varieties and farming methods (Dollar, 2008), the rigid price controls on agricultural commodities were disincentives to farmers, the employment triggered the rural-urban migration that robbed the rural areas of labour.

The introduction of the Household Contract Responsibility System (HCRS) and relaxation of the price control system not only restored land rights to farmers but also incentivised them to produce and benefit from the sale of their surpluses (OECD, 2005). Grain prices were liberalised and cultivation of food crops was encouraged. Farmer-centred agricultural research and extension services were expanded in all regions for technical support to farmers and these were complemented by the establishment of agricultural universities and local research institutes (Xiaoyun et al, 2012)

The gradual introduction of high-technology and irrigation systems on larger farms, appropriate infrastructure, and the introduction of high-yield varieties increased productivity and boosted production resulting in massive agro-processing and industrialisation.

This created employment in the manufacturing and services sectors rather than the traditional reliance mainly on the agricultural sector. Hence it is not surprising that by 2012, the industry and services sector was employing over 60 percent of the 816.2 million labour force in China yet the agricultural sector used to employ over 80 percent of the Chinese labour when the reforms started in 1978 (Saungweme, 2012).

Agriculture thus transformed rural development and reduced poverty. On a national scale, the government managed to lift more than 200 million people out of rural poverty between 1978 and 2009, and in 2012 alone, a total of 23 million people were lifted out of poverty (China Daily, 2013).

China’s commitment to long-term poverty reduction plans such as the Outline of the National Plan for Aiding the Poor with Technology (1996-2000), the Seven-Year Priority Poverty Alleviation Programme (1994-2000), National Project of Compulsory Education in Poor Areas (1995), and National Outline for Poverty Alleviation and Development of China’s Rural Areas (2001-2010) greatly assisted to reduce poverty. These programmes formed the framework of investing in poverty alleviation projects, technological demonstration centres for training people in advanced agro-techniques and promoting agricultural research and extension services. Currently, China is implementing the Outline for Development-Oriented Poverty Reduction for China’s Rural Areas (2011-2020) which is a comprehensive and cross-sectoral poverty alleviation programme.

However, despite these achievements, China’s poverty reduction efforts still face the challenges of unfavourable ecological conditions and socio-cultural barriers. The country’s rapid economic growth has resulted in notable regional inequalities and threatened to widen the rural-urban divide while the huge

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9 The Household Contract Responsibility System (HCRS) was an agricultural production system which allowed households to contract out land, machinery and other facilities for collectivization. By the system, peasant farmers were given a quota of products to produce and receive compensation for meeting the quota. This was more like an incentivization strategy. It spurred farmers to produce, raised rural productivity, their living standards and provided more raw materials critical for the transformation of village/township enterprises.
population certainly increases employment pressures. Thus the NPC review of the national work plan in 2011 encompassed this challenge, choosing to slow economic growth and focus attention on investment in rural development.

**7.3 INFRASTRUCTURAL DEVELOPMENT IN CHINA**

The role of both physical and social infrastructural development as enablers of development and means to attain sustainable development cannot be over-emphasised in any development process. Chuan (2008) notes that infrastructure investment has been the “engine” driving economic growth and poverty reduction efforts in China, while Sahoo et al (2010:1) says that “China’s sustained high economic growth and increased competitiveness in manufacturing has been underpinned by the country’s massive development of physical infrastructure”. Such an achievement should present useful lessons to Africa.

This section concludes that the success of China in providing quality infrastructure across all the regions since the beginning of reforms in 1978 has been due to the existence of three key factors namely: (i) the existence of high level government commitment, (ii) the existence of a state-guided and effectively decentralised planning and coordination framework, and (iii) the existence of a robust framework for monitoring and evaluation of infrastructural development interventions.

**7.3.1 Vision for Infrastructure Delivery**

China managed to have infrastructural development as part of its national vision. This is clear in the various infrastructure development master plans and medium-long term plans which include, inter alia, the 11th FYP for Transport and National Highway Network Plan, the 11th FYP for Railway Medium and Long Term Network Plan, and Foreign Capital Utilisation Plans for FDI utilisation in infrastructure construction (Chen, 2010). The result, as further observed by Chen (2010), has been a progressive increase in infrastructure investment. In 1980, infrastructure investment in China was 4.4 percent of GDP yet by 2010 this had increased to 8-9 percent of GDP.

Such plans are supported financially through substantial budget allocations although the private sector involvement in infrastructural development is increasing through lease contracts, concessions and PPPs. This has assisted to ease the burden on the central government and also to ensure that the government can focus on development of infrastructure in underdeveloped regions. The user-pay mechanism has been adopted to self-finance infrastructure development, for example through toll fees. Bank loans from the State Bank and infrastructure development banks have also assisted.

**7.3.2 Development of Trans-regional Infrastructure**

The important aspect in the Chinese approach to infrastructure development is to develop trans-regional and cross-province infrastructure with a view to link areas of economic importance and production while ensuring equity in regional infrastructure distribution. By 2008, China had signed 10 bilateral transportation agreements and three multilateral transportation agreements with Russia, Mongolia and other countries (Chuan, 2009). Given the fiscal and administrative decentralisation which took place after 1994, provincial and local governments in China can institute investment incentives and introduce various self-financing mechanisms for infrastructure development.

Among other established inter-regional transportation systems which include road, rail and sea transport systems in China, Chuan (2009:88-89) cites among others, the Yunnan International Corridor (connecting South-West China with Vietnam, Laos and Myanmar) and the Kunming-Lao-Bangkok Road (linking China with Laos and Thailand). Large-scale projects are also underway in the country.\(^\text{10}\) These have aided...
trade and improved the competitiveness of Chinese exports in particular, and regionally traded goods in general.

7.4 INDUSTRIAL DEVELOPMENT AND EXPORT-ORIENTED GROWTH

Many analysts agree that the success of China’s industrial development can be attributed to gradual and strategic economic liberalisation, an effective foreign direct investment (FDI) policy, incentivisation of both private and public sector enterprises, internationalisation strategy for State Owned Enterprises, development-oriented research, and the existence of dynamic state institutions for policy guidance resulting in a surge in exports\(^\text{11}\). This is traced back to Deng Xiaoping’s “four modernisations” initiated after 1978: agricultural liberalisation, foreign investment, an aggressive export policy, and creating Special Economic Zones (Headley et al, 2008). Before reforms, China’s industry was backward and its contribution to GDP was very minimal since there was over-reliance on agriculture for GDP contribution and employment, as cited above.

Today, the industry and services sectors in China are contributing over 90 percent to GDP and these sectors have propelled China to be the world's second largest economy after the United States (Saungweme, 2012). This paper identifies four strategic interventions and enablers that facilitated massive industrialisation in China discussed below.

7.4.1 China’s Strategic Balance of Protectionism and Economic Liberalism

As part of its strategic protectionism and economic liberalisation, China gradually eliminated the price controls imposed on certain agricultural products and restricted importation of certain agricultural and processed goods. China is now increasingly opening up its economy to unrestricted international trade, especially after joining the WTO in 2001, while identifying its key and strategic industries for government prioritisation in terms of support. To date, China has signed over 300 regional trade agreements with, among others, Association of South-East Asian Nations (ASEAN) countries, Peru, Chile, Singapore, India, and several African countries. There are also trade agreements with the US, the EU, and Middle Eastern countries.

Policies and programmes such as the Processing Trade Relief (PTR) programme that allow duty free treatment of inputs used in processing industries, machinery and VAT rebates for processed exports have assisted in boosting the growth of manufacturing in China. This is because of the emphasis on importation of raw materials for processing which has increased export value of Chinese commodities on the global market. Thus, China has now emerged as the “chimney” or “workshop” of the world (Morrison, 2006).

7.4.2 China’s FDI Policy and the Regional Development Policy

The ability to attract capital and technology in the form of Foreign Direct Investment (FDI) was critical in China’s development. The pull factor that the Chinese government managed to exploit (Headley et al, 2008) as the country’s comparative advantage was the abundance of labour. This was complemented by the government’s decentralisation policy which granted more powers to provinces and cities to introduce local incentives for attracting FDI thereby inducing competition.

\(^{11}\) Such as Ravallion, 2008; Hsu, 2011; Dollar, 2008; Heady et al, 2008; Tisdell, 2009.
The government of China has in place measures that allow foreign investors to establish joint ventures with local enterprises especially State Owned Enterprises so as to facilitate the introduction of advanced technology transfer, capacity transfer, employment of local skilled labour and consequently increased industrial productivity (Dollar, 2008). By 2010, foreign-funded enterprises accounted for 55 percent of China’s exports and 53 percent of China’s imports, thereby producing a trade surplus of US$124 billion (OECD, 2012). Today China is the world's largest FDI destination.

Another strategy used by China was the development of the Special Economic Zones in the form of Economic and Technological Development Zones, Free Trade Zones, Export Processing Zones, and High-Tech Industry Development Zones as an investment attraction concept, with the first being established in the priority investment provinces of Guangdong, Fujian and Hainan (Kurlantzick, 2013). As a result, the economy benefitted from technological development, export growth, socio-economic development and infrastructure development.

Thus China succeeded through the government’s ability to attract FDI through an effective FDI regime (in the form of a codified FDI Guide and the Joint Venture Law which provided for the stipulated requirements, terms, conditions and the ownership matrix for prospective investors), creation and maintenance of a favourable investment climate through general stability, quality infrastructure, strategic decentralisation of power and authority to the regions to make investment decisions, and introducing attractive FDI joint venture matrices.

7.4.3 Export-Oriented Growth and Foreign Economic Policy

China managed to create a modern enterprise system as part of its reforms by maintaining a firm hand on the economy and its functioning. Through a dedicated institution within the State Council, the State Owned Asset Supervision and Administration Commission (SASAC), and with support from State banks, the government succeeded in restructuring, unbundling, privatising and transforming loss-making State Owned Enterprises (SOEs), Township and Village Enterprises, and State-holding Enterprises while using preferential loans, tax incentives, subsidies to turn them into viable, competitive, market-oriented corporate entities (Gabriele, 2009). This enabled them to complement and compete with private sector enterprises so as to increase efficiency and foster industrial development.

In search for new markets and raw materials, Chinese SOEs have played a very prominent role in venturing into overseas large-scale projects. This latest trend is evident in Africa where SOEs in oil and gas exploration, telecommunication services, energy generation and hydro-electric industry, and steel industries have all taken advantage of the established and intensifying economic partnership between China and Africa.

The result has been increased exportation of finished products and importation of mainly raw materials. A recent trade report produced by China’s Ministry of Commerce in May 2013 revealed that China is now the world's 2nd ranked country in total foreign trade volume which stood at US$3.87 trillion in 2012 with a trade surplus of US$230.58 billion. By the first quarter of 2013, Chinese imports amounted to $1.82 trillion whilst exports amounted to US$2.05 trillion (Ministry of Commerce, 2013).

7.5 THE ROLE OF EDUCATION, RESEARCH AND DEVELOPMENT

Science and technology education combined with research and development have consistently been central to China’s development policy, and this is complemented by science and technology education and development interventions. Deng Xiaoping, who initiated reforms in 1978, was very clear on this, saying,
“We should make every effort to develop education, even if it means slowing down our efforts in other sectors”

7.5.1 Science and Technology Education

The approach adopted by China has been comprehensive, involving the promotion of basic education and literacy combined with an inclination towards sciences, engineering, architectures, and artisanal practices, among others. For the government, the broader strategy has been to focus on access to quality education while ensuring equity of education services. Such an approach and strategy has been significant in contributing to sustainable development, employment creation and addressing inequality against a background of the negative effects of the 1966-1976 Cultural Revolution, as noted by Zhang (1996).

The Chinese leadership commitment to medium- and long-term plans for educational development through the Programme for the Reform and Development of Education in 1993 and the Outline of China’s National Plan for Medium to Long-Term Education Reform and Development (2010-2012) improved literacy. By 2012, education expenditure as a proportion of total GDP in China was around 4 percent. In addition, education assistance to rural areas has worked as a poverty alleviation tool.

Currently there are more than 1,100 technical/vocational institutes at tertiary level and almost 15,000 secondary technical/vocational schools in China enrolling around 11 million students per year. Such an emphasis on technical training has laid the base for industrial development and innovation in China (China Statistical Yearbook, 2012).

7.5.2 The Role of Research and Development

China has adopted strategies to intensify development research with the aim of ensuring that China adapts new and advanced technological innovations to drive the country’s development processes across all sectors.

The commitment of government has been notable in prioritising Research and Development as a policy pillar in all its FYPs, as well as national budget allocations to this sector. The current 12th FYP identifies education, science and technology as a policy priority which should be supported through financing, preferential taxation and domestic incentives. In addition, the 15-year Science and Technology Plan (2006-2020) sets out the country’s priorities and goals.

This has led to numerous inventions and innovations not only in the industrial sector but also in supporting sectors such as agriculture. The government has supported this by strengthening the enforcement of intellectual property rights and patenting. The number of patents applications accepted and granted by government notably expanded from 22,000 in 1990 to 62,274 in the year 2011 (Gabriele 2009; China Statistical Yearbook 2012). This significantly reduces the country’s dependence on foreign technology and offers incentives for a new generation of inventors.


13 The Cultural Revolution was an ideologically-driven socio-political movement orchestrated and led by Mao Zedong as the then Chairman of the CCP. The movement aimed at the elimination of bourgeois capitalists, traditional and cultural elements from the Chinese society so as to enforce communism. Through the Red Guards, there were persecutions of millions of citizens, displacements, socio-political instability, and property destruction. Most writers estimate that the Cultural Revolution costed China a 12 per cent decline in industrial production between 1966 and 1968 alone.

7.4 THE CONTRIBUTION OF THINK TANKS TO CHINA’S DEVELOPMENT

The development of China also owes its successes to the immense contribution of policy research institutions, or think tanks, to policy formulation and implementation. Think tanks in China play a significant role in agenda setting and bridging the gap between knowledge and policy through extensive research and analytical work. The Chinese government’s engagement with think tanks is different from African countries where there is very little interaction. Rather, think tanks in China are taken seriously by government and interact with the leadership. They are referred to as the “internal brain” of government.\(^{15}\)

There is a wide range of influential think tanks in China, many are within the universities, others are independent, and some have official connection to government or party. The structures are supported by their respective institutions, while research projects are often commissioned by government ministries or agencies, and by private sector. Most of these think tanks are made up of several specialised institutes, designated by geographical area or subject. Most are academic institutions, with supervision of post-graduated students, and are degree-granting in their own right. The leadership interacts with the leadership of other sectors, including government. They cover a wide range of issues including economic policy and international relations, as well as domestic issues and politically sensitive issues, such as peace and security. Most research is in the public domain and some have Chinese and English journals online. Commissioned research may be restricted to the recipient user.

Think tanks also get involved in the formulation of FYPs and policy planning.\(^{16}\) Their policy recommendations are taken seriously and are an integral component of policy development.\(^{17}\) The Development Research Centre of the State Council plays a central role in creating linkages and nurturing synergies with national research institutes and tertiary institutions that assist in providing comprehensive policy input through evidence-based knowledge for effective national economic planning (Liu, 2005).

The increasing number of think tanks in China is resulting in further strengthening of the policy planning process and output especially at a time when global political and economic interactions are increasingly complex. By 2008, China was reported to have 2,500 think tanks employing 35,000 researchers (Xinhua, 2009). It is the way that China acknowledges and incorporates the role of think tanks, maintaining a close working relationship and incorporating their findings into public policies and national development plans, that Africa needs to borrow insightful lessons from.

8. KEY LESSONS FOR AFRICAN INTEGRATION

The focus here is on how China managed to succeed around these vectors of development despite the policy challenges caused by regional diversity, and differing interests and priorities across the provinces and municipalities. The Chinese experience presents valuable and practical lessons that can be

\(^{15}\)Rich et al (2011) notes that this is because of their main characteristic that they are affiliated to the state, to the CPC and to the Government Ministries of their areas of focus and specialization. From a Briefing Paper “Think Tanks in Policy Making – Do They Matter?” Shanghai Special Issue. September 2011

\(^{16}\)Think Tanks in China are involved in several ways in policy governance; (a) Participating in drafting of FYPs and providing policy inputs; (b) Producing informative reference materials such as newsletters to aid policy-makers; (c) Undertaking extensive research projects usually with government grants under the NDRC; (d) Exchanging views and opinions through the media, conferences and related forum; and (e) Providing lectures when invited to do so.

\(^{17}\)To prove the policy relevance of Think Tanks, Zhu Xufeng (2012) cited the example of Mu Haiping, the Director at the Chinese Academy of Governance whose Department of Decision-Making collects policy inputs and directly presents them to the top leadership. Mu indicated that since 2008, more than 25 percent of the 400 policy recommendations submitted to government were accepted and forwarded to relevant Ministries. Zhu Xufeng (2012) in “The Rise of Think Tanks in China”. Routledge, China. Article available at http://www.routledge.com/books/details Accessed on 27 May 2013.
incorporated to address development deficits across the African continent and accelerate integration. For purposes of practical comparison the points has already been made that China is a large unitary state with a single central government while Africa is a continent with 55 independent small states.

As can be observed from the above, the Chinese development experience was a result of comprehensive reforms whose success depended on the effectiveness of the Chinese government, institutions and citizens to cooperatively plan and coordinate the cross-sectoral interventions throughout the provinces and regions of China.

Lessons from the Chinese experience must be subjected to an in-depth analysis through a three-pronged incremental probing approach so as to determine their suitability, feasibility, practicability and acceptability within the African context. The incremental probing would entail questioning why an intervention was made, how it was implemented, and what development impact did it have. Of much importance here is how China did it given the vast expansive nature of its polity and population, as well as regional diversity and autonomy.

Lessons for African regional integration must also be applied based on African realities, just as Deng Xiaoping was very clear that lessons for China must be rooted in China:

“In carrying out our modernisation programme, we must proceed from Chinese realities we should learn from foreign countries and draw on their experience, but mechanical copying and application of foreign experience and models will get us nowhere”.

The main lessons learned will draw from the main vectors of Chinese development experience as presented above.

8.1 EFFECTIVE POLICY PLANNING, POLICY COORDINATION AND POLICY DISCIPLINE

The Chinese experience of effective policy planning and coordination offers relevant lessons applicable at national level (Member States), continental level (African Union), and the level of Regional Economic Communities (RECs). The Chinese approach facilitates timely, uniform and consistent application and implementation of government policies, plans, programmes and decisions from the central authority right down to the town level units (Yin 2004), and enables practical input up from the lower levels.

Thus for Africa, this presents three salient lessons: (a) the creation of capable and competent enabling institutions for policy planning and coordination; (b) the establishment of facilitative and supportive frameworks for smooth and coordinated policy-making, policy monitoring, policy implementation; and, (c) the strengthening of leadership and succession systems for stability, progressive development and policy continuity. The real focus should be on enhancing the quality of the structures and institutions of policy planning and coordination together with the quality of the policy planning and coordination process. These are expanded and explained below.

8.1.1 Establishment of Supportive Legal Frameworks for Coordinated Regional Policy Success

The importance of the Chinese experience here is the ability of the government to undertake effective policy planning and coordination through extensive consultation, and vigorous and rigorous review and revision of its long-term and medium-term plans for a country of more than 1.3 billion people in 22 Provinces, five Autonomous regions, four Provincial-level municipalities, and two Special Administrative Regions.

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The primary lesson here is that Africa should move quickly to harmonise its diverse legal systems, development programmes and governance structures from the national, regional and continental levels. This would make policy planning and coordination easier. While the Abuja Treaty (1991) and the Constitutive Act of the African Union (2002) are the main legal frameworks guiding the integration process at continental level; the legal systems, governance structures, integration paths and programmes being pursued by eight different RECs recognised by the AU are very diverse and fragmented to the extent that they make smooth and fluent policy planning and coordination difficult (ECA, 2004).

Effectively, the ability of China to continue pushing its development agenda throughout the vast expanse and populace of its national territory should also inspire Africa to work towards aligning its continental legal frameworks, and policy plans and programmes as agreed, to work collectively towards the same development goals and objectives. This should be followed by strengthening effective regional policy planning and coordination within African RECs through cross-sector harmonisation and standardisation of laws on regional practices such as trade laws, customs administration laws, investment laws, and environment laws, and others.

As a starting point, it is recommended that RECs should establish frameworks of co-operation with each other through Memoranda of Understanding (MoUs) to facilitate inter-REC co-operation as a stepping stone towards eventual merger. For example, IGAD and UEMOA have MoUs with COMESA and ECOWAS respectively (ECA, 2006:57).

High level commitment should be towards ratification and domestication of regional protocols and agreements as a foundation for smooth policy planning and coordination. With harmonised legal systems and inter-REC co-operation through MoUs, the legal barriers to effective policy planning and coordination in African integration and development are dealt with.

8.1.2 Creation of Enabling Institutions for Policy Planning and Coordination

China’s decentralisation and central planning establishes consistent coordination and linkages between the central government and representatives at both regional and provincial levels. This ensures that national programmes, policies and plans such as the FYPs are aligned to, and streamlined in, local policy initiatives thereby ensuring a coordinated approach to development.

In Africa, the working relations between the AU and RECs are defined in the 2007 Protocol on Relations between the AU and RECs. The Protocol guides the AU to facilitate and implement African integration. The relations between RECs and their Member States are further defined in the various protocols and regional treaties through the respective secretariats and meetings that are conducted at technical, ministerial and summit levels.

Regional integration policy planning and coordination by the AU Commission and REC institutions is, however, complicated by the existence of different economies with different approaches, methodologies, ideologies, institutions and systems when it comes to policy making. Faced with such diversity, the secretariats at both continental and regional levels have a mammoth task given the inevitability of impediments ahead of their facilitation and coordination role. This is not a short-term project, but the first steps have been taken and progress has been made.

The essence, thus, is to move towards strong and effective centralised authority with the requisite coordination power and capacity to steer the policy planning and implementation process, coupled with local autonomy over implementation, as in the case of China, in order to have REC institutions that effectively monitor and influence the implementation of regional integration protocols, decisions and programmes. Perhaps there may be need to consider transforming RECs into semi-supranational
authorities rather than the current scenario where all RECs in Africa are guided by the principle of subsidiarity.  

To complement the efforts of the REC secretariats, there is need to establish uniform and capable enabling institutions and structures that take cognisance of the African context of the persistence of incapacitated institutions. This strengthens the REC secretariats to undertake policy planning and coordination. Currently, REC secretariats have to deal and liaise with different focal point Ministries in charge of regional integration, foreign affairs, ministries of trade or any other related Ministries where challenges of inconsistency, information asymmetry and overlapping functions are very common at national level.

In Southern Africa, for example, SADC tends to have ministries of Foreign Affairs as their focal points whereas COMESA liaises with ministries of Industry and Trade on regional integration issues. This is despite the inextricable link and inter-connectedness of the issues spread between and among these ministries. The SADC Secretariat acknowledges that there is no effective link between the Secretariat, the SADC National Committees and the relevant key stakeholders in policy planning, implementation and coordination (SADC Secretariat RISDP Desk Assessment, 2011:95).

The result is that the REC secretariats are confronted with the negative effects of fragmented and disjointed coordination of regional development policies and programmes at national level, and delays in domestication of regional agreements, which ultimately slows the implementation of regional integration and the attainment of policy targets and goals.

In 2006, the Economic Commission for Africa indicated that only one-third of African countries had a ministry dedicated to regional integration. However, some RECs have resolved this challenge. The EAC Member States established national Ministries of EAC after a policy decision at EAC level. This has improved policy planning and coordination.

8.1.3 Leadership, Political Stability and Policy Continuity

Political stability is essential for integration and socio-economic development. African countries should reflect on China’s orderly succession system in this regard, especially considering that cross-border and civil conflicts remain a threat in many parts of Africa, thus eroding the institutional capacity of regional organisations, destruction of infrastructure and misallocation of resources (ECA, 2006:30). For example, the uprisings in Egypt in 2011 are said to have resulted in the fall of Africa’s economic growth. Adebajo (2010) attributes most of these conflicts to the diverse ethnic, religious, racial, national and ideological differences resulting from the continent’s fragmentation by European powers after the Berlin Conference in 1884/5.

It is against this background that African integration and development processes should be firmly rooted in the Pan-African vision of unity as pronounced by the founding leaders such as Julius Nyerere and Kwame Nkrumah in the mid-20th century. Such leadership should be nurtured at national, regional and continental levels to ensure continuity and commitment to continental integration. Such a vision should embody the spirit and decisions of successive leaders as was the case with leaders who succeeded Deng

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19 Subsidiarity generally refers to the political principle that the central authority in governance should have a subsidiary function performing only those tasks that cannot be performed at a local level. The suggestion here is that RECs (through their secretariats) can be delegated wider and broader powers by the Summit of Heads of States and Government to enforce compliance and implementation while at the same time striking a balance with respect to the sovereignty of Member States.

20 The AfDB (2012) in the article “Africa’s Growth May Rise to 7 percent a Year by 2015” (http://www.businessdailyafrica.com) indicated that the so-called “Arab Spring” which swept through Egypt in 2011 resulted in the fall of Africa’s economic growth from 5 percent in 2010 to 3.4 percent in 2011. Accessed 11 May 2013.
Xiaoping up to present-day China. To achieve this, African countries should put in place systems that ensure smooth transitional processes to ensure policy continuity and sustainability of development. The essential role of history and knowledge of history in this process should not be under-valued.

The impact of visionary, dedicated and competent leadership can only be felt if a motivated, professional, capable and competent bureaucracy with a complementary work ethic is in place to translate visions and plans into action. Thus REC secretariats need to be well-trained and capacitated to facilitate rigorous and extensive review and evaluation of regional policy plans, as China does.

The SADC Secretariat’s ability to facilitate the formulation of the Regional Indicative Strategic Development Plan (RISDP) in 2003, its desk assessment in 2011 for the implementation period 2005–2010, and the ongoing Mid-Term Review is both revealing and highly commendable.21 There is, however, need to widen and broaden the scope of consultations and involvement of stakeholders, especially think tanks and research institutions in the formulation, monitoring and review processes.

In this regard, Africans need to be conscious of the fact that China’s national plans largely succeed in achieving vertical and horizontal consistency in terms of implementation due to the ability of the central authority to ensure that provincial and regional plans and priorities are aligned to national plans. RECs in Africa may therefore need to ensure that national medium to long-term plans (especially the prioritised development strategies, goals, objectives and targets) are also in congruence with regional plans and agreements.

National plans in African countries22 need to be aligned with the plans within their respective RECs for the purposes of policy coherence. This needs strong and dynamic institutional linkages at all levels to translate regional integration goals and objectives into national legal frameworks and plans to improve the implementation record of regional programmes, policies, plans, and projects by Member States.

8.1.4 Agriculture, Rural Development and Poverty Reduction

From the Chinese experience, it can be concluded that there are essentially four prime movers of agriculture: (a) land tenure management, (b) technology, mechanisation and modernisation; (c) effective institutions of research, education and training; and (d) conducive policy environment for agricultural investment, production, marketing and trade.

Pre-reform China shared a lot of similarities with Africa with respect to agricultural development and rural development. Rural agriculture in Africa is characterised by the domination of peasant farming, little use of technology, under-capitalisation, limited availability and therefore usage of research and extension services, land tenure challenges, desertification and land degradation, unfavourable ecological patterns, uneven distribution of arable land and very few fresh water sources (Xiaoyun, 2010). It is beyond contention that food and agriculture-related activities constitute the economic and social core of most African countries, with heavy reliance on rain-fed agriculture and trade exports composed of mainly agricultural commodities. By 2012, the agricultural sector provided livelihoods for approximately 60 percent of Africa’s labour force while contributing 17 percent to Africa’s GDP (GIZ, 2012).

Africa’s advantage over China in this regard is that the continent has 60 percent of the world’s uncultivated arable land, yet its population is just over 1 billion (Mbwavi, 2011). This is far incomparable

21 The RISDP is a 15-Year strategic plan for SADC Member States that presents sectoral targets and objectives. Its aim is to deepen regional integration with the ultimate objective to eradicate poverty in the region. SADC RISDP 2003, and various articles and assessments in Southern Africa Today (various issues) and elsewhere, including the Researchers Workshop on the RISDP Mid-Term Review 2013.

22 Such as Zimbabwe’s Medium Term Plan (2011-2015), Kenya’s Vision 2030, and Ethiopia’s Vision 2025, to mention just a few.
to China whose 1.3 billion population sits on a mere 10 percent of the world’s arable land. Because of this relatively higher farmland per capita, Africa has great potential to multiply its agricultural output and even surpass China.

To eradicate poverty through rural development and agriculture in Africa, African regional organizations already have different policy frameworks with different priorities and focus given the ecological differences, regional comparative advantages, and the influence of political economy factors. For example, in SADC, there is a Regional Agricultural Policy (RAP), ECOWAS has its Regional Agricultural Policy for West Africa (ECOWAP), the EAC has the EAC Agriculture and Rural Development Policy (ARDP), and COMESA has its COMESA Agricultural Policy (CAP). At the level of AU, the Comprehensive Africa Agricultural Development Programme (CAADP) was established in 2003 jointly with NEPAD as a strategy for African agriculture development.

What is needed first is the harmonisation of the various agricultural policies across Africa with the aim of achieving a coordinated approach to agriculture for food security, poverty reduction and development (Ping, 2013).

Further, there is need for African countries to prioritise and integrate continental and regional programmes and policies into their national budgets and development interventions. The AU Maputo Declaration on Agriculture and Food Security in 2003 which directs Member States to allocate at least 10 percent of national budgets to agriculture is commendable, but very few countries are reaching the set threshold for various reasons. By 2011, only eight countries were fulfilling their promise (CAADP Partnership Platform, 2011).

Learning from China, Africa must then manage its land tenure system, taking into account the almost similar national historical contexts of African countries given the emotiveness and impact of the process. The creation of a conducive agricultural investment climate will assist to attract investment and credit which can facilitate the acquisition and use of advanced technology, modern crop varieties, and farming methods to boost agricultural production. China has a very strong Agricultural Research System that has transformed the application of modern technology by farmers (Zhang, 20003:2).

Given the declining external support for agriculture in Africa, African governments need to complement their capacity through PPPs and by courting the banks and investors to finance farmers especially smallholder farmers, and through establishing efficient agricultural development banks for this purpose. Government support for agricultural research and extension services, and agricultural infrastructure development, is also needed. Initial emphasis should be on incentivising farmers to produce food crops for food security.

Although poverty is generally on a gradual decline in Africa, it is still relatively high when compared with other continents. The AfDB (2012) indicated that although the proportion of people defined as living in poverty in Africa decreased to 40 percent in 2008 from 47 percent in 1990, it was still nearly twice and three time higher than poverty levels in Asia (15 percent) and Latin America (24 percent) over the same period. The ECA (2011) says Africa needs to grow by an annual average of at least 7 percent in order to meet the MDG goal of reducing poverty by half by 2015.

Thus, for poverty reduction, agricultural production should be the priority to ensure food security and increase the income of the rural population, while infrastructure development is key as an instrument for widening opportunities of the rural people and ensuring accessibility for development.

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23 GIZ notes that development assistance to the agriculture sector has decreased by 75 percent during the 25 years between 1980-2005 (in NEPAD Partnership with GIZ Support to the CAADP 2012) available on http://www.nepad-caadp.net Accessed on 17 May 2013
8.2 MECHANISMS AND STRATEGIES FOR INFRASTRUCTURE DEVELOPMENT

Africa is grappling with generic infrastructural challenges across all regions. These comprise imbalance in regional infrastructure development, general infrastructural deficiency, lack of adequate financing, poor maintenance, and rehabilitation of infrastructure and limited technology.

The Chinese success in infrastructure development led to the attainment of growth in other sectors. As cited previously, such rapid and quality infrastructural delivery resulted in heavy FDI inflows, rapid urbanisation and massive industrialisation. The development of infrastructure was cross-sectoral covering both productive and social infrastructure in areas of energy, roads, railways, airports, ports, water infrastructure, and related social infrastructure in health, education and related areas. This helped China to reduce transaction costs, stimulating economic activities, employment creation and reducing poverty, especially in impoverished regions (Dollar, 2008:10).

Rapid infrastructure development in China today presents to Africa three main lessons in the form of strategies and approaches to infrastructural development. These are: (a) strategies for planning and coordination of construction, maintenance and rehabilitation of infrastructure, (b) strategies and mechanisms for financing infrastructure development, and (c) strategies for inter-regional or trans-boundary infrastructure delivery.

8.3 STRATEGIES FOR NATIONAL PLANNING

8.3.1 Strategies for National Planning and Coordination of Infrastructure Construction, Maintenance and Rehabilitation

The role of leadership and smooth coordination of national policy planning and implementation has been already identified and explained above as one of the most critical factors of China’s national development in general, and infrastructural development in particular.

The dynamic and systematic Chinese organisational structure for infrastructural policy planning, coordination and implementation should certainly be one of the factors attributed to the success of infrastructural development in the country. It consists of the political and governance structures, as well as administrative bureaus and commissions, financing institutions such as the China Development Bank, and coordinating institutions such as the Development Research Centre of the State Council, together with provincial, regional and municipal structures in the formulation and implementation of infrastructure policies and strategies (Sahoo et al, 2010:2).

In Africa, the continental and regional infrastructure development frameworks should be inclusive enough to ensure a coordinated approach to infrastructure development, harmonisation of regional infrastructural development master plans, effective resource mobilisation, regional balance and equity in infrastructural delivery, and effective monitoring and implementation of cross-border or trans-boundary infrastructural programmes and projects.

At AU level, the NEPAD’s Planning and Coordinating Agency has institutional mechanisms for implementation of the its Short Term Action Plan in the form of the Infrastructure Consortium for Africa (ICA) and the NEPAD Infrastructure Project Preparation Facility (IPPF), as well as REC infrastructure divisions, directorates or departments. However, inter-regional coordination and co-

24 Zhao and Konamori (2007), in “Infrastructure and Regional Development in the People's Republic of China”, distinguishes pure productive infrastructure such as irrigation, energy, roads, which provide services for production, from pure social infrastructure such as water systems and sanitation, which are aimed at improving living conditions. p16
operation of the institutions is low (ECA, 2010:301). A step in the right direction is the COMESA-EAC-SADC Tripartite movement towards development of a harmonised Regional Infrastructural Development framework. This will improve resource mobilisation and accelerate infrastructure delivery across borders.

The involvement of the private sector and think tanks in infrastructure policy planning, coordination and implementation can strengthen analysis of policy alternatives, improve national and regional empirical assessments, and conduct research necessary to inform infrastructural interventions at both national and regional levels. This can assist in improving prioritisation and adoption of better approaches and methodologies in regional infrastructure development (Liu, 2005:12). Strengthening regional co-operation and coordination mechanisms in infrastructure development thus remains a must for Africa.

8.3.2 Strategies for Inter-Regional or Trans-Boundary Infrastructure Delivery

One of the means to accelerate regional integration in Africa is through physical infrastructure integration. The Chinese experience shows that the development of infrastructure linking various regions and provinces has been key to unlocking the country’s development potential while promoting regional investment and ultimately eradicating poverty (Chuan, 2008).

In the case of Africa, regional infrastructure is largely weak in all modes – road, rail, water, air, telecommunications, and energy. The ECA’s assessment of 103 cross-border links along the Trans-African Highway (a network of nine highways comprising Cairo-Dakar, Algiers-Lagos, Tripoli-Windhoek, Cairo-Gaborone, Dakar-N'Djamena, N'Djamena-Djibouti, Lagos-Dakar, Lagos-Mombasa, and Beira-Lobito) revealed that “…33 percent are unpaved roads, 16 percent are paved roads in poor conditions, and 38 percent are paved roads in good or fair condition” (ECA, 2006:11). This is an illustration of the magnitude of the state of dilapidation of Africa's infrastructure in all sectors.

Initiatives for regional infrastructure development at continental level including the AU Infrastructure Master Plans, NEPAD Short Term Action Plan, NEPAD Medium to Long Term Strategic Framework, NEPAD Presidential Infrastructure Championing Initiative and the Long-Term Plan for Africa's Regional Infrastructure all provide a framework for the development of integrated regional infrastructure.

At REC level, there are various existing frameworks, such as the SADC Regional Infrastructure Development Master Plan and the East Africa Infrastructure Master Plan. The rationale is to invest in trans-boundary physical infrastructure to develop a regional infrastructure network so as to accelerate integration, improve Africa’s competitiveness, socio-economic development and enhance co-operation within Africa and between Africa and other countries outside the continent (AU Commission-ECA-ADB, 2012:1).

Commendable are regional co-operation initiatives in cross-border infrastructure projects such as the following in eastern and southern Africa: the North-South Corridor25, Mombasa-Nairobi-Addis Ababa Road Corridor (linking Kenyan port of Mombasa and Ethiopia), Trans-West African Highway (passing through nine countries in West Africa) and Maputo Development Corridor26. There is need for African countries to have their national infrastructure plans aligned to regional master plans and priorities to achieve success in trans-boundary infrastructure development.

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25 The NSC is a multi-modal transport network comprising road, rail and port that stretches from the Tanzanian Port of Dar es Salaam in the United Republic of Tanzania to the port of Durban in South Africa. It passes through eight countries in eastern and southern Africa including Tanzania, Democratic Republic of Congo, Zambia, Malawi, Mozambique, Zimbabwe, Botswana and South Africa.

26 The Maputo Development Corridor is a road and rail corridor network that links South Africa’s Gauteng Province and Maputo Port in Mozambique.
It is recommended, that in the short to medium-term, the development of trans-boundary infrastructure projects should be guided by REC Master Plans for purposes of financing and easier coordination, with the AU facilitating political co-operation between and among RECs.

8.3.3 Strategies and Mechanisms for Financing Infrastructure Development

Rapid infrastructure development in China is mainly credited to the ability of the Chinese government to support this through budget allocations while complementing such efforts with local innovative financing mechanisms. The bulk of infrastructure financing came from direct budget investment, borrowing and market-based financing (Sahoo et al, 2010:7). Borrowing for infrastructure development in China was made easier by the government of China’s direct influence and control over state-owned banks such as the China Development Bank, State Development Bank, among others.

Africa’s infrastructural backlog and deficit is so vast that there is need for heavy capital injection to close the gap. For instance, the implementation of PIDA’s Priority Action Plan of 50 projects for the period 2012-2020 is estimated at $68 billion. The Africa Infrastructure Country Diagnostic Survey for 2008 concluded that Africa would need $40 billion per year to construct new infrastructure in order to effectively integrate the continent with the global economy, while in addition to that, a similar amount of $40 billion per year is needed for maintenance of the existing infrastructure, thus $80 - $90 billion is required per year.

Given that in Africa, the main sources of finance for infrastructure are public budget, official development assistance, loans from both OECD and non-OECD countries, and the private sector (ECA, 2010:332), there is need for the continent to reduce its heavy reliance on outside sources of financing. The African Development Bank (AfDB, 2012:4) noted that external financial support for African infrastructure increased from $37 billion in 2007 to $56 billion in 2010.

Most national and regional development banks and funds such as the proposed SADC regional development fund, lack the requisite capacity to avail financial support to major regional projects. To borrow from the Chinese experience of riding on loans from state-owned banks, African countries need to put in place regional infrastructure development banks. The progress being made by the BRICS countries to establish the BRICS Development Bank is a good example, and should be emulated.

The introduction of self-financing strategies can also be introduced to finance both regional and national infrastructure development. China’s Public Private-sector Partnerships (PPPs) and use of toll fees and user fees especially for transport infrastructure development is contributing to rapid infrastructural development. Today, China has a lot of toll roads, bridges and tunnels (Sahoo et al, 2010:20). First, an environment for private sector participation has to be created, for example bringing transparency to regional and national infrastructure project procurement. Given that most national programmes for infrastructure development in Africa are poorly linked with regional infrastructure (for instance electricity, road, rail, ICT, and others), PPPs might be considered to bridge the gaps.

The rise of the BRICS economies can be used as an opportunity to create investment linkages and partnerships in infrastructure development in Africa. The March 2013 eThekwini Declaration at the 5th BRICS Summit in Durban can be the turning point for a positive approach by the BRICS towards infrastructural development and regional integration in Africa, where they re-affirmed their support and commitment to sustainable infrastructure development in Africa.28

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27 A grouping of the main emerging economies Brazil, Russia, India, China, South Africa

28 The Declaration expressed commitment by the BRICS countries to engage and cooperate with non-BRICS countries especially the Emerging Market and Developing Countries (EMDCs). An after-Summit retreat with African leaders was held under the theme “Unlocking Africa’s potential: BRICS and Africa’s Cooperation on
China has displayed willingness and readiness to invest in large-scale infrastructure development across Africa in sectors such as energy, road, water and social infrastructure development projects in countries such as Ethiopia, Zambia, Ghana, DRC, among others. By the end of 2009, China had assisted developing countries to build 442 economic infrastructure projects since the Tanzania-Zambia (Tazara) railway project linking the port of Dar es Salaam in Tanzania and the Zambian mining area of Kapiri Mposhi (China Briefing, 2013). Tazara was funded and built largely by China at a cost of US$500 million after several western countries refused to do so (Martin and Johnson, 1989), and was completed ahead of schedule in 1973. The Tanzanian President, Julius Nyerere, expressed his gratitude for “the spirit in which the offer of assistance was made and the manner in which it is being given. A railway is a railway; that is what we want, and that is what we are being helped to build. But there is something more; this railway will be our railway. It will not be a Chinese railway…” (Nyerere, 1973; in Johnson, 2009).

Under the current FOCAC Action Plan 2012-2014, China and Africa will focus on transnational and trans-regional infrastructure development, and prioritise the needs of African countries or African regional organisations in the planning and construction of trans-boundary infrastructure. This recognises Africa’s potential to be the next global emerging economy, and draws on the experience of China in building its economic transformation on strong infrastructure development.

8.4 REGIONAL INDUSTRIAL DEVELOPMENT POLICY AND EXPORT LED GROWTH

Two outstanding features of the Chinese rapid economic development explained are the investment-driven growth and export-oriented growth. These two were a function of the Chinese government’s ability to formulate an effective industrial development policy while maintaining a favourable climate for foreign investment that has made China one of the most preferred investment destinations.

This saw China successfully transforming from being an agriculture-based economy before 1978 to an economy that by 2011 was having 90 percent of its GDP derived from industry and services sectors (Saungweme, 2012). Africa needs to extract important lessons for integration from China’s export-led industrialisation and investment strategies as FDI may lead to de-industrialisation and threaten the growth of domestic industries if not well-managed and regulated.

8.4.1 Regional Industrial Policy and Export Promotion Strategy

The African scenario is characterised by very little manufacturing activities with more activity in the extractive industries such as agriculture, mining, forestry and fisheries. The other feature is unequal industrial development within all the RECs given the varying levels of development. South Africa dominates the SADC economy, for example, Kenya is dominant in EAC, and in ECOWAS Nigeria is dominant. Another characteristic is limited intra-REC trade, intra-African trade, and trade between Africa and the world is very low.

The Economic Commission for Africa (2010:76) says that Africa’s share of global exports was 2.4 percent in the year 2000 and increased to 2.9 percent in 2007. Despite trade liberalisation within and between African RECs, it is a fact that most of the imports and exports from Africa are destined to the EU, China and the US, hence continued dependence on these countries for markets. The main reason has been lack of complementarities in Africa’s production systems, lack of industrial capacity and other supply-side constraints.

Infrastructure”. See the 5th BRICS Summit in Durban eThekwini Declaration, “BRICS and Africa: Partnership for Development, Integration and Industrialization”, 27 March 2013, Durban, South Africa. p2

29 Economic Cooperation and Trade Promotion Measures announced at the Fifth Ministerial Conference of the Forum on China-Africa Cooperation, FOCAC briefing note, Beijing, August 2012

29
There are efforts in most of the RECs in Africa to adopt and implement regional industrial development policies. For example, SADC now has a draft Regional Industrial Development Policy and the EAC has an Industrialisation Policy and Strategy. China’s industrial development policy is tied to investment policy and the strategy was to exploit the country’s comparative and competitive advantage, mainly the existence of abundant labour force, quality infrastructure and technological progress (Tisdell, 2009:281).

Regional industrial policies and investment policies should be harmonised and open enough to provide a framework for industrial development as this will make African countries to realise more value from exports unlike the current scenario where African trade volumes may be large but are of less value. However, to attract more regional investments, African countries need to speed up market integration and eliminate tariff and non-trade barriers as well as nurture an investment-friendly climate.

It will be prudent for Africa to utilise the deepening relationship with China to form partnerships so the continent can benefit from China’s success through sharing experiences and technology for industrial development, setting up of value addition technology and export promotion. This will assist Africa especially considering that China is now Africa’s main trading partner, with total trade between the two countries having reached $163 billion in the year 2012 (China Briefing, 2013).

8.4.2 Foreign Direct Investment and Special Economic Zones

Currently the majority of African exports are raw products or semi-processed goods with a limited share of the global value chain (Vickers and Motsamai, 2011). The reason is that African countries have little capital to apply modern technology for industrial processing of raw materials. Cross-sector investment should be promoted that allows technology and capital transfer.

China benefited from foreign investment due to a development-oriented and sustainable FDI regime that was well-regulated, allowed capital inflow, joint ventures between foreign investors and local enterprises facilitated by the Joint Venture Law, and a favourable employment matrix for skilled local labour to allow skills transfer (Jagg et al, 1996:18). By 2010, Foreign Invested Enterprises accounted for 55 percent of Chinese exports and 53 percent of China’s imports (OECD, 2012:52).

A striking feature of the Chinese development experience has been the creation of Special Economic Zones as explained above. China’s investment policy in these zones prohibited investment with little technological content and high natural resource consumption while allowing their identified Strategic Emerging Industries to benefit and grow (Jagg et al, 1996:18). The essence was to establish priority investment areas for regional development that would facilitate rapid technological transfer and development. Africa’s Regional Industrial Policies and Investment Laws should be strict on this.

There is need for strategic engagement and innovation by African leaders when they enter into FDI contracts. China’s establishment of Economic and Trade Co-operation Zones in African countries such as Ethiopia, Egypt, Mauritius, Nigeria and Zambia should be welcome for Africa, and should be used as a launch pad for industrialisation, technology transfer, growth and job creation.

Africa should therefore build on the strength of the existing legal and regulatory instruments at REC level to promote regional investments. Eastern and southern Africa, for example, have REC-specific instruments such as the COMESA Investment Agreement, and the SADC Protocol on Investment and Finance. There are also Bilateral Investment Treaties between and among COMESA-EAC-SADC Tripartite members, and several by Tripartite Member States with outside countries. Member States must translate the provisions of such agreements and commitments into action through creating

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30 By 2011, there were over 50 Bilateral Investment Treaties (BITs) between and among the 26 Tripartite Members. COMESA Member States alone had over 290 BITs with other countries outside COMESA. The COMESA Investment Report, 2011; Lusaka, Zambia. p23-24
favourable conditions for investment and undertaking of the necessary domestic policy reforms so they achieve maximum benefit from FDI inflows.

8.5 LINKING THINK TANKS WITH POLICY MAKERS

Think tanks in China regularly undertake extensive debates, analysis and review of Chinese FYPs and national policies. The former Premier, Wen Jiabao, stressed that the success of China’s development policy and decision-making has always been a consequence of soliciting opinions from the public, collective discussion and conducting expert evaluation of national plans and policies.31 If these lessons are to be considered, then thinks tanks in Africa need to have a constructive and Pan-African orientation toward building the continent, as well as access to policy-making institutions and decision makers.

The current scenario in Africa is a disjointed and fragmented approach to regional policy research by the various research institutes and universities. Very few have a formalised mechanism to facilitate the formal engagement and interface with the technical experts and committees of RECs.

Policymakers in Member States often make decisions based on limited national consultations without specific structures that allow formal and useful exchange of research knowledge. One of the roles of RECs in Africa, besides coordination and facilitation, is to advise Member States on aspects of policy. Regional secretariats can only play this role fully if they establish formal and sustainable networks of cooperation and exchanges with regional research institutions and think tanks.

Currently, wide gaps and huge disconnect is evident in most African countries and RECs between policy and research, where research capacity and output is either ignored by policy makers or there are no institutional relationships between governments and think tanks. The outcome of policy debates and policy research by think tanks or tertiary institutes consequently remains academic, often negative, and rarely influences or shapes national and regional policies on integration. There is a tendency to engage consultants (often from the North) on a one-off basis, as and when a policy decision is to be made, without further subjecting research findings to frank discussions and peer review. This impacts negatively on policy effectiveness and inclusiveness.

In southern Africa, the SADC linkage with regional research institutes that is emerging through the Southern African Research and Documentation Centre (SARDC) is commendable. It is through constant engagement that knowledge sharing and evidence-based policy propositions can be facilitated, and a body of informed knowledge established and used. A very good example is the Regional Researchers Consultative Workshop convened by SARDC in early May 2013 in Zimbabwe, which provided a platform for research institutes and think tanks from various countries to use their knowledge and expertise to input into the Mid-Term Review process of the RISDP with of the SADC Secretariat in attendance.

This provided a platform for frank discussions and exchanges that gave a new impetus and insights to the emerging issues and perspectives whose consideration by the Secretariat and Member States will be helpful in pursuit of regional targets, goals and objectives.

To aid better coordination of research inputs to the development and integration trajectory in Africa, it is time to create synergies between think tanks and policymakers. The establishment of intra-REC and Inter-REC think tank forums modelled along the China-Africa Think Tank Forum might be overdue to allow regular sharing of research experiences and active exchange of ideas to enrich the integration and

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31 Refer to statement by the then Chinese Prime Minister, Wen Jiabao in a Report of the Work of Government delivered at the 1st Session of the 12th NPC on 5 March 2013 as the Premier of the State Council.
development process in Africa. This could also improve resource mobilisation for research unlike a situation where institutes seem to compete for research funds.

The setting up of the Institute for China Africa Studies in Southern Africa (ICASSA) in 2011 should inspire Africa to set up and strengthen institutes that are regional in nature to facilitate and coordinate the various institutes that can conduct research on regional integration matters in this regard. This will help to facilitate research that conforms to regional dimensions and perspectives. This creation of regional think tanks with a Pan-African orientation should stimulate research that enriches regional policy processes and positively impacts on policy outputs for African integration and development.

9. RECOMMENDATIONS FOR LEVERAGING CHINA-AFRICA PARTNERSHIP FOR INTEGRATION

The various lessons detailed above that Africa can borrow to accelerate continental integration need to be taken into the perspectives of the China-Africa partnership which was strengthened by the FOCAC initiative jointly set up in October 2000 as a dialogue mechanism and a platform for exchanging experience in governance through co-operation in several areas. Five FOCAC conferences have been held since then with Action Plans drawn which both sides have followed their commitments with practical action.\(^\text{32}\)

It is to Africa’s advantage, that the contents and intentions of the current Beijing Action Plan (2013-2015) of the 5th Ministerial Conference of the FOCAC has prioritised areas within the scope of the above vectors of development that Africa can pursue to shape and influence its integration and development agenda notably co-operation in agriculture, food security and poverty reduction; infrastructure development; science and technology; people-people exchanges; and regional peace and security (FOCAC Beijing Action Plan, 2013-2015).

For the first time, China and Africa noted the importance of relations between China and sub-regional organisations and agreed to sustain exchanges and co-operation to promote regional economic integration through the NEPAD.

With the China-Africa Development Fund scaled up to $5 billion as committed in the Beijing Action Plan (2013-2015), the AU and sub-regional organisations need to collectively work together to focus on the areas of enhancing agricultural production and poverty reduction, industrialisation, science and technological development, trans-regional infrastructural development, regional peace and security and strengthening the process of exchanges and learning from the Chinese experience.

In view of this, the following 5 recommendations will enable Africa to achieve more from the FOCAC partnership and further assist Africa to apply the lessons adapted from the Chinese experience toward regional and continental integration.

9.1 OPTIMISE THE BALANCE BETWEEN MULTILATERALISM AND BILATERALISM IN ENGAGEMENT

As explained earlier, Africa needs to overcome its fragmented and disjointed approach to external engagement. In engaging with China, African leaders seem to be swayed more by national interests than

interests of regional integration, regional development and African unity. This is manifested in the various bilateral agreements between the countries and China. For instance, by 2007, China had concluded 33 Bilateral Investment Treaties (BITs) and 4 double taxation treaties with African countries to protect and promote FDI (COMESA, 2011). Yet there are very few agreements with RECs. The individual country approach is evidenced by the frequent government-to-government visits and party-to-party contacts between the CPC and counterparts in Africa, which has strengthened China-Africa relations.

Though bilateralism has to be understood and acknowledged as a manifestation of Africa’s economic diversity, it is recommended that overarching unified agreements between China and Africa will go a long way in speeding up regional integration. The Beijing Action Plan (2013-2015) is commendable as it affirmed its commitment to multilateralism through its recognition of the importance of strengthening co-operation at AU and sub-regional level. Through multilateralism, Africa will have a coordinated approach to integration and ensure unity with more collective bargaining power.

9.2 EMPHASIS ON TRANS-REGIONAL OR CROSS-BOUNDARY INFRASTRUCTURE DEVELOPMENT

Through continental policy and institutional frameworks such as the NEPAD, PIDA and the NEPAD Planning and Coordinating Agency, Africa must prioritise joint investment projects with China in trans-regional productive and social infrastructure such as roads, railways, airports, energy, hydro-power, health, water and sanitation, research centres, and others for physical integration of the continent in order to attract more investments to Africa through reduced costs of doing business, promote intra-African trade, enhance industrialisation and reduce poverty. The prioritised projects should be the focus of RECs in identifying funding options for implementation. Whilst national projects are key foundational anchors of regional projects, the approach should evolve to include strong regional partnerships that can help to accelerate integration.

China’s commitment to invest in cross-border infrastructure, made ahead of the 18th AU Summit of Heads of State and Government in 2012, is commendable in this regard. The AU needs to maximise efforts to court Chinese investors and negotiate joint ventures with African corporates to implement NEPAD. Meanwhile, African RECs can also do the same, guided by their respective infrastructure development master plans.

9.3 INVESTMENT IN TECHNOLOGY AND INDUSTRIAL DEVELOPMENT

African RECs need to promote strategic joint-venture investment partnerships with China that facilitate knowledge and technology transfer. The SEZs already established in African countries such as Zambia, Nigeria, Ethiopia, Mauritius and others should be designed in such a way that they gradually transform to be regional in outlook, first as nodes of development and later expanding to impact on regional development.

Emphasis should be on concluding investment partnerships that allow the transformative processing and value addition of African natural resources, especially in the mining and agricultural sector, before exportation. This will avert threats of de-industrialisation posed by the influx of cheap imports into Africa. In addition, effective utilisation of aid for trade from China to address supply-side constraints inhibiting Africa export growth is recommended. This will not only allow African economies to realise

tangible benefits from the zero-tariff treatment promised by China on African exports, but will push Africa up the global value chain and enhance complementarities within the continent to fuel intra-African trade, thereby accelerating integration.

9.4 AGRICULTURE AND POVERTY REDUCTION

In agriculture and poverty reduction, the AU needs to work with RECs to establish joint partnerships with China to implement CAADP. The strategy must focus on accessing agricultural technology and technical training to boost production. The construction of agricultural demonstration centres in Africa by China should be accompanied by capacitating these to impact on production, food security, and poverty reduction.

9.5 REGULAR AND CONTINUOUS EXCHANGES AND LEARNING

It is through sharing experiences, knowledge and ideas at leadership, think tank, academic, media and civil society levels that Africa can progressively perfect, expand, review and revise its policy approach and methodology towards regional integration. Africa therefore needs to utilise the China-Africa Think Tanks Forum (CATTFF) that was initiated in October 2011 as a dialogue mechanism. Regular research exchanges need to be promoted at regional and country levels. This will provide a platform for African researchers and policy makers to appreciate the key features of China’s development trajectory and share different perspectives on the dynamics of the China-Africa partnership. Such exchanges also provide opportunities for Africa to learn from China’s mistakes as well as successes in its development trajectory, thus assisting Africa to avoid some of the holes in the road to integration and development.

10. CONCLUSION

The overall lesson from the accelerated development in China since 1978 stands out to be that policy governance over a complex and diverse polity would essentially achieve meaningful success only when driven by effective policy planning and policy coordination. From the above, it can be seen clearly that the pace of African regional integration can be accelerated through effective policy planning and policy coordination rooted within competent administrative structures. No doubt, regional integration has proved to be a very complicated and involving process wherever it has been attempted.

From the consultative nature of policy-making and policy implementation, extensive review and revision of FYPs, together with nature of engagement between policy-makers and think tanks in China, Africa will appreciate the importance and value that such a system and process can present to policy enrichment. It is the coordination of the various regions and provinces, and the aggregation of conflicting demands and interests across the breadth and width of an expansive and populous country like China that Africa should emulate. This is being achieved through an optimum balance between centralisation and decentralisation, all made possible by how a system progressively distributes power and authority over public policy formulation and policy implementation horizontally and vertically for successful policy delivery.

The focus for Africa should be to orient and re-orient regional integration institutions and policy governance structures to deliver through effective coordination. At the core, there should be dedicated visionary leadership and capable administrative systems at regional and national level with unquestionable policy commitment ready to translate summit resolutions, council decisions, conference action plans, and

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34 At the Fifth Ministerial Conference of the FOCAC, China promised to levy zero tariffs on exports under 97 percent of all tariff items from those African countries with standing diplomatic relations with China. Beijing Action Plan (2013-2015) of the Fifth Ministerial Conference of the FOCAC.
protocol provisions into practical action. China’s development success should remind and inspire Africa to see that long-term visions are achievable when the leaders of the process share common visions and exhibit unity of purpose.

For Africa, the richness of the continent will steer the integration wheels of the continent. It is strategic and sustainable investment that Africa should attract to drive industrialisation; regional infrastructure development; agricultural development; and research and development which will deepen and widen regional integration to ultimately uplift the living standards in Africa and reduce poverty prevalence.
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