Article Two

Arrested Development? Sub-Saharan Africa in the Stratified World-Economy 1965-2015

Abstract

The central concern of this paper is with Sub-Saharan Africa’s (SSA) standing in the stratified world-economy. Country standings are determined for the period 1965 through 2015, based on the Arrighi and Drangel method of calculating world-system position. We find that the region as a whole remained in the bottom of the global economic hierarchy and was particularly sensitive to macro-economic-historical changes and pressures. Therefore, many countries that were economically depressed immediately post decolonization, remained at the bottom of the distribution and were further stymied by the debt crisis of the late 1970s and early 1980s. The neoliberal economic policies of the 1990s kept most of the region at the bottom of the stratified global economy. At the same time, the study found notable advances at the individual country level that were in part due to external factors such as engagement with China (example Angola) or support from the Occident (Botswana) but also sources and mechanisms internal to these countries (Equatorial Guinea, Botswana). Of note too, is the clear link between the SSA countries that are performing well in the semiperiphery of the global economic hierarchy, and those with a concentration of natural resources.

Introduction

Hierarchy in the world-economy

There is a hierarchy in the world-economic system – top-middle-bottom or core-semiperiphery-periphery. Either way, those at the bottom are subordinated to those at the top. That is the nature of the world-economy. Therefore, where a country falls in the distribution of the world-economy is very important. This paper speaks to the issue of global structural inequality as it relates to Sub-Saharan Africa (SSA). To that end, the study tries to identify significant changes in global economic stratification vis-à-vis SSA and explores if at all there is a connection to the contemporary rise of China and its recent re-engagement with the continent. This is done by using a world-system perspective to global economic stratification. By this I mean:
(a) I take global economic stratification, to signify where countries fit in the global economic hierarchy in relation to each other based on their command over the benefits of the world division of labor. For example, where does China fall in the hierarchy in relation to Angola, or India, or Ghana and vice versa, and asks if this changes over time.

(b) I begin with the idea that countries in the global economic hierarchy tend to cluster into three economic zones of core, semiperiphery, and periphery.

(c) The global economic hierarchy is generally rigid and structural changes are only observable over medium to long periods of time.

In this study, I use the Arrighi and Drangel method (1986) to determine a country’s position in the world-system position. SSA as a region and as individual countries are placed and examined in this context.

Very often, the discourse on how Sub-Saharan Africa is doing economically revolves around issues of poverty and development and varying arguments about what these terms mean. The International Monetary Fund’s (IMF) Poverty Reduction Strategies which, is at the center of its economic programs to low-income countries (many SSA countries fall into this category), generates a considerable number of working papers on SSA that deal with a range of issues from risk mitigation to poverty spending effectiveness. These working papers are available through the IMF’s website (See also IMF Staff Paper on Botswana (2014), Sembene (2015), Bigsten (2014), Bundy et al. (2009)). A significant amount of literature is also available through the World Bank’s publication database relevant to questions of development, inequality and poverty that are linked to Sustainable Development Goals (previously labelled Millennial Development Goals) set by the United Nations. There are also SSA regional and country-specific case studies dealing with the impact of neoliberal policies\(^{14}\) and the effects of the Washington Consensus.

\(^{14}\) The market being the driver of all socio-economic growth, and the only way to reduce poverty meant that African economic, political and social institutions were to be restructured so as to make the private sector front and center. This neoliberal project in Africa was supposed to be inclusive and open Africa to the global economy; encouraging growth by relying on agriculture and allowing complete control by market mechanisms.
Other studies focus on the political economy of the region or specific countries within the region (Desai (2007), Stedman (1993), Kaplinsky et al (2010)). Yet, while issues regarding ‘development’ are important for any discourse on SSA, there have been no empirical studies that specifically speak to how SSA is doing in terms of global economic stratification. The world-systems analytical framework is an excellent approach for understanding structural questions of global economic stratification, and even within this perspective, there is very little to no dialogue specific to SSA.

There are several reasons for this. For one, amongst those employing the world-systems perspective, there are still questions regarding the best method to empirically measure how the global economy is stratified. This is not necessarily bad for World-Systems Analysis – vigorous debates within a sub-field allows for the emergence of new, interesting, and creative ideas ((Arrighi and Drangel 1986; Kentor 2000; Nemeth and Smith 1985; Snyder and Kick 1979)). However, this has caused some unnecessary stagnation (See Arrighi (1998)) in the discourse. The study of SSA in terms of global economic stratification can be seen as the collateral damage of this stagnation. More recently, though, Babones (2005), Mahutga and Smith (2011), and Karatasli (2017) have made serious strides in empirical analysis using the world-systems perspective, thus creating space to bring SSA into focus.

Secondly, finding good empirical macro-economic data for SSA is extremely challenging. Notwithstanding the methodological debates within world-system analysis, the biggest barrier to advancing the topic of SSA in global economic stratification is the question of usable data. As such, most studies on SSA countries where macro-economic indicators are key, have become very problematic (Jerven 2013). Then of course, there is the matter of interest. There is certainly interest in how SSA is doing economically witnessed by the number of papers and books written by and for academic institutions, non-governmental organizations (NGOs) and especially the World Bank, IMF and the various arms of the United Nations. China’s reengagement with SSA is particularly interesting to western academics. For
example, between 2010 and 2015 alone, Deborah Brautigam at the Johns Hopkins School of Applied International Studies has written three books and countless articles on China in Africa. Still, there are no systematic studies on where SSA falls with respect to global economic stratification and the role, if any, of China in all of this.

Despite the debates within World-Systems Analysis regarding the best method in measuring global economic stratification, ultimately, the question remains as to whether or not there should be a study on how SSA is doing in terms of global economic stratification. The answer is a resounding Yes! Furthermore, despite the fact that some methods might be best suited for highlighting certain nuances in world-systems analysis, without doubt, they all capture similar general trends in the changing structure of global economic stratification. For example, although they do not focus specifically on SSA’s place in the global economic hierarchy, Kentor (2003), Babones (2005), and Karatasli (2017) all found results similar to ours for the Sub-Saharan African region despite our very different approaches to world-economic stratification. Unlike the other papers, however, the focus is on SSA’s shifts in global economic stratification and attention is given to the concomitant rise of China.

The rest of the article is organized into three sections. The first section deals with questions of method, contextualizing the approach and placing it within the world-systems framework. The Results section, presents the findings at the regional level followed by a look at individual country results. The Discussion section, deals with the issue of a potential correlation between the rise of China and its engagement on the continent and the upward mobility of some SSA countries in the world-economic hierarchy. It is in this section that the individual extreme cases (extreme case defined by Seawright & Gerring (2008)) of Zimbabwe and Botswana is presented. The article ends with a brief discussion on macro-historical trends on inequality.
Method and Data

A world-systems approach and questions of method

Given the issues with data that we have mentioned in the Introduction, one could consider using the nation-state as the point of departure when thinking about how to approach the question of development (which is in itself a loaded term) or the economic advancement of the Sub-Saharan region. That is, to discuss development or a lack thereof, one could use the state as the unit of analysis, with attention to a country’s particular economic, historical and political situation as the starting point for any analysis, comparative or otherwise. Indeed, there is an entire discourse on whether the nation-state, individual actors, or transnational corporations, should be the unit of analysis when examining social phenomenon (see works by Anthony Giddens, Benedict Anderson, William Robinson etc. and Wallerstein’s response to this in the Prologue of the 2011 edition of the Modern World-System Volume I). However, the world-systems approach presents us with a different set of lenses. It allows us to see the macro-historical pressures at play in the Sub-Saharan African region vis-à-vis global economic stratification. We can empirically determine where SSA falls in the world-economic hierarchy in relation to the rest of the world.

The world-systems perspective allows us to see the overarching structural interactions and linkages while also taking us beyond simple core-periphery, developed-undeveloped dichotomy which, was the norm for development sociology theorists in the 1970s. Dependency theorists, focused on the exploitative nature of the relationship between the center and periphery while the modernist focused on the fact that some countries were either backwards or modern. Immanuel Wallerstein, who first developed the world-systems perspective, drew on the theory of unequal exchange espoused by Arghiri Emmanuel (1972) and later, Ernest Mandel (1975). For these theorists, the suppression of wages in the periphery allowed for exploitative trade practices by the core that were masked by market processes but were backed by the military and political systems in both the core and periphery. Unequal exchange meant that core countries maintained their position by taking advantage of the low labor cost in the periphery with a net
effect of increased capital resources in the core. Wallerstein agreed with the unequal-ness of the world-economic system; but argued that this inequality was a necessary condition of the modern capitalist world-economy. Unequal exchanges were “necessary for the expansion of a world market if the primary consideration is profit. Without unequal exchange, it would not be profitable to expand the size of the division of labor. And without such expansion, it would not be profitable to maintain a capitalist world-economy” (Wallerstein 1974a:5). By arguing that unequal exchange was a necessary condition of the world-economy, Wallerstein was in fact affirming that the system was rigid and the prospects for upward mobility was even more dismal. The key here though, is that Wallerstein believed that this exploitative system was kept in place by the existence of the semiperiphery which also participated in the exploitation of peripheral states and was neither a transitional point nor a residual effect of the world-system.

Conceptually, the world-systems framework in an excellent approach to understanding structural inequality and stratification. However, questions on how to empirically measure the semiperiphery and the stratified world-economy, have been a source of contention for the proponents of the world-systems perspective. This is in part due to Wallerstein’s own ambiguity on how to identify semiperipheral states (1974a) let alone empirically measure country positions. Wallerstein noted that theoretically we could observe ‘the wage patterns and margins of profit of particular products at particular moments of time’ (1979:71). Chase-Dunn (1984, 1989) claimed that ‘only carefully operationalized empirical research on changes over time in the global distribution of military power capabilities, state access to resources and level of economic development can resolve this problem’ (Chase-Dunn 1989:79). Jeffrey Kentor (2000) attempted to measure a country’s place in the world-system; i.e. whether a country fell into the core, periphery, or semi-periphery, based on economic and military power with three dimensions – a country’s economic power (gross domestic product per capita; gross domestic product; total exports; ratio of external foreign investment to internal foreign investment), a country’s military capacity (gross military spending, military exports, ratio of military exports to military imports), and a country’s global dependence (export
commodity variety, foreign debt as a percentage of total GDP, military imports as a percentage of GDP). However, this is a largely unfinished project.

Giovanni Arrighi and Jessica Drangel (1986) developed their own technique to empirically determine global economic stratification within the world-systems framework, which this article follows quite closely. In The Modern World System, Wallerstein (1974b) discusses a country’s position in the world-system in terms of a country’s engagement in “core-type activities” or “peripheral-type activities.” But as has been pointed out by Arrighi (1990, 1998; 1986), there is no way to empirically operationalize and identify “peripheral-type” and “core-type” activities as a “core-type”/“peripheral-type” activity today, may change tomorrow.

As such, “core-periphery relations are determined not by particular mixes of activities, but by the systemic outcome of the perennial gale of creative and not-so-creative destruction engendered by the struggle over the benefits of the world division of labor” (Arrighi 1990). Therefore, according to Arrighi and Drangel:

“core activities command aggregate rewards that incorporate most, if not all the overall benefits of the world division of labour, whereas peripheral activities command aggregate rewards that incorporate few, if any, of those benefits. The greater the weight of peripheral activities in the mix falling within the jurisdiction of a given state, the smaller the share of the total benefits of the world division of labor commanded by the residents of that state. And, conversely, the greater the weight of core activities, the larger the share of those benefits commanded by the residents of a state. The differences in the command over total benefits of the world division of labour must necessarily be reflected in commensurate differences in the GNP per capita of the states in question” (Arrighi and Drangel 1986:31).

To explain further, if it is accepted that a country’s command of the overall benefits of the world division of labor is an indicator of where that country falls in the world-economic hierarchy, then we must accept the GNP per capita as a proxy. For Arrighi, the GNP (and GNI in this article) per capita is the best proxy for demonstrating a state’s mix of “core-type” and “peripheral-type” activities and appropriately captures
“differences in command over world economic resources rather than actual standards of living” (Arrighi and Drangel 1986). Again, it is the differences in command over world economic resources that tells us how much a country benefits from the world-division of labor.

Peter J. Taylor (1988), deemed Arrighi and Drangel’s use of GNP per capita proxy as robust even after changing the ‘areal base of the data’. Taylor removed state-bounded populations, instead disaggregating population into equal sized cells, (a method developed by John Cole (1981) within the political geography field). He found that despite severe spatial reorganization of the data, the results were quite similar to Arrighi and Drangel’s.

In their method, Arrighi and Drangel plotted population against GNP per capita to determine the distribution of the world’s population across degrees of “core-ness.” They used the log GNP per capita as they were interested in the relative rather than the absolute differences among states and because they were interested in the differences in command over world economic resources rather than differences in actual standards of living. The population by state (as a percentage of total population) is plotted by the log of GNPPC in USD by intervals of one-tenth. The resulting frequency distribution, is smoothed by means of a three-interval moving average. Again, this article’s study stays true to this method.

The article’s focus is not on the issue of measurement. Our concern is primarily to observe how SSA is doing in the world-economy over time, while remaining cognizant of its reengagement with China. The Arrighi and Drangel approach is utilized due to its relative ease but primarily because of the reliability of the available data (there are only two datasets involved – population and GNI per capita data from the World Bank). Given the challenges faced in obtaining good quality macro-economic data for SSA, the use of two macro variables limits issues of reliability. Furthermore, the Arrighi and Drangel approach is reasonable as it allows us to trace SSA’s performance over time relative to the rest of the world and amongst the countries in the region. One can therefore make historically sound and logical assertions about the
relationship between the rise of China and its burgeoning relationship with SSA without resorting to the use of questionable regression methods based on poor data.

Applying the Arrighi and Drangel approach

One of the main reasons for Arrighi’s use of the GNP per capita proxy was his clear understanding of the challenge of empirically identifying and categorizing countries based on their engagement in activities that were “core-like” or “periphery-like.” Arrighi and Drangel’s theoretical justification for the GNP per capita as the closest proxy to representing a country’s overall command of the benefit from the world division of labor is extensive and clear.

For this study, instead of the GNP proxy, the World Bank’s gross national income (GNI) per capita is used, which is derived from the Atlas Method (current US$). According to the World Bank, the Atlas Method, produces a variable that is essentially the old GNP per capita variable. However, in the study, I employ the GNI per capita for two reasons: 1) The interconnectedness between nation states, corporations, and peoples in the world-economy have become deeper and far-reaching with the rise of globalization and transnationalization in particular (Robinson 2004, 2010). 2) Countries in the two zones the chapter focuses on – the periphery and semiperiphery, place a strong emphasis on remittances. It is especially so in SSA where some countries see some of the largest receipts of remittances relative to their gross domestic product (GDP), and in some cases those remittances represent a major source of foreign exchange (Singh et al. 2010).

The data for this study comes from the World Bank. The period of study spans fifty-one years, starting with 1965, a few years post-decolonization, through 2015. In assessing SSA’s performance in the contemporary world-system one must take decolonization into consideration to give us some amount of perspective when speaking of the region as a whole and when considering how well or not some countries has progressed in the world-economic hierarchy. Decolonization itself marked a very important point in the world-economy with a substantial increase in the total number of the independent nation-states entering the world-system. This was particularly evident on the African continent. Also, by starting as far
back as 1965, historical evidence can be used to make inferences about what is happening in SSA today. One can see on a macro level, how much or little the region has changed over the last fifty-one years. The log of the GNI per capita is used in the same way as Arrighi and Drangel, not only because of the skewed nature of GNI per capita but also because I am interested in the relative rather than the absolute differences amongst countries.

Given that SSA countries are typically found in the peripheral and semiperipheral economic zones and there is a general paucity of data for those countries, the study’s time period (1965–2015) is kept constant but the countries included in each year changes depending on the availability of our two main variables. Logically, the total world population for any given year in the distribution is based on the total population of the countries included in the study for that given year. Each state population is plotted as a percentage of total world population by log GNI per capita in intervals of one-tenth. The distribution is then smoothed by a three-interval moving average.

This study diverges from the original Arrighi and Drangel method in that for each year in the study, we affix cut-off points for the different economic zones (See China and Global Economic Stratification (2017) for example of this). Again, for each year, each state population is plotted as a percentage of total world population against the log of the GNI per capita in intervals of one-tenth. For each year, the median point of the distribution is calculated. The semiperipheral economic zone is assigned to the area between the two closest local minima points just left and right of the median point. As an example, in Fig. 1, for the year 2015 the semiperipheral economic zone are countries falling within the 3.45 to 4.25 clusters.

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15 The distribution becomes more disordered beginning around 2001 and occasionally, there are more than one local minima to the left and right of the median point. When this occurs, the cut-off points for the semiperiphery is the lowest of the local minimas, as can be seen in Figure 1 for the 2015 distributions. This method for establishing the general economic zones is consistent in the study. When multiple modes begin to appear, the method remains fairly robust except in 2004 and 2007, where the number of clusters within the semiperiphery contracts significantly. This is due to the fact that the lowest local minima to the left is fairly close to the median. Therefore, in 2004 the lower bound is 3.35 (compared to 2.95 in 2003 and 3.05 in 2005) and in 2007, the lower bound is 3.55 (compared to 3.15 in 2006 and 3.25 in 2008).
Results

Sub-Saharan Africa in the stratified world-economy

Throughout the study, there are no Sub-Saharan African countries in the core economic zone. Therefore, the study focuses primarily on the peripheral and semiperipheral economic zones of the world-economy. In general, during the entire fifty-one-year time period, Sub-Saharan African countries filled up the tail end of the distribution but other populous countries such as India, China, Bangladesh, Pakistan, Sri Lanka occupied that part of the distribution too. This meant that for quite some time, most of the world’s population have benefited the least from the world division of labor. Still, as the study progressed, more countries moved toward the middle of the distribution. 1999 was the first year that the total number of countries in the semiperiphery surpassed that of the periphery. Fig. 2a., and 2b. shows the dramatic movement not only of a greater percentage of the world’s population, but also the absolute number of countries moving toward the center of the world-economic hierarchy. This trend toward the middle of the distribution is demonstrated throughout the rest of the study.

Figure 1. 2015 Economic Zones.
In 1965, the countries in the semiperipheral economic zone included South Africa (toward the top part of the distribution), Gabon, Seychelles,16 (both in the middle) Zimbabwe and Zambia (toward the tail end of the distribution). At the bottom of the peripheral zone were Rwanda, Malawi, and Burundi. These countries’ initial ranking in the stratified world-economy is significantly influenced by their politico-economic condition at the time of decolonization. For example, when Ian Smith’s regime declared independence from the United Kingdom in 1965, Zimbabwe (then named Rhodesia) had an economy that was based on large-scale farming which was competitive in the global markets. This would, in part, explain, Zimbabwe’s semi-peripheral ranking at the time. In the case of Seychelles, it had a thriving but primarily agriculture-based economy. However, by the time of its independence in 1976, it was successfully moving toward a tourist-centric and service-oriented (largely financial services) economy. Throughout the study, South Africa, Gabon, and Seychelles remained in the semiperipheral economic zone.

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16 Seychelles had not yet gained full independence from the United Kingdom in 1965. It became a republic within the Commonwealth of Nations on June 29, 1976.
Remarkably, even when the number of countries in the study more than doubled and even tripled, Sub-Saharan African countries continued to carry the bottom of the distribution and predominantly in the periphery. In fact, in the 1990s there is a sharp increase in the number of countries that begin to move into the semiperipheral economic zone. This is in part due to the fact that a number of post-communist/post-Soviet countries enter the world-economy; but even they are entering at a level higher than most SSA countries.

Although in any kind of hierarchical ordering, there are bound to be those at the bottom and those at the top, one’s actual placement in this ordering matters. We know that all Sub-Saharan African countries are in the semiperiphery and periphery; but, most SSA countries are located in the absolute bottom of the periphery. Moreover, year in year out, they fail to move in terms of their position relative to the rest of the world. With respect to their actual placement in the hierarchical ordering, the SSA countries in the semiperipheral zone tend to be more dispersed within the distribution. On the other hand, those in the peripheral zone are stagnated at the bottom of the distribution. And these countries tend to hold the same placement throughout the study.

Fig.3 gives a snapshot of the years 1985, 1995, 2005, 2015 which documents how pronounced SSA’s stagnated hierarchical placement is in the peripheral economic zone. The region’s general lack of movement, is remarkably dreadful given the broad systemic shift toward the middle that became clear post 1995 culminating in 1999 when the number of semiperipheral countries eclipsed that of the periphery.
As is documented in Fig. 4., our study found that although the total number of countries from SSA that moved from the periphery to the semi-periphery increased, relative to the rest of the world, those gains are slight, to say the least. If we go back to 1965, SSA countries made up 19% or five out of the 27 countries in the semiperiphery economic zone. This included South Africa, Gabon, Seychelles, Zimbabwe, and Zambia. That same year, SSA made up 58% of the periphery. Twenty years later, they made up 10% of the semiperiphery or four out of forty-one countries. Three of the four countries (South Africa, Gabon, Seychelles) were the same as those from 1965 and are always be part of the semiperiphery throughout the
study. Zambia and Zimbabwe both fell into the periphery – initially, Zambia primarily because of continued falling copper prices (copper was at the center of its economy), and Zimbabwe due to a number of issues that is addressed in the discussion section of the chapter.

In 1985, the periphery consisted of 52% SSA countries. Another twenty years later, SSA still only makes up 12% of the semiperiphery or nine out of seventy-seven and 49% of the periphery or thirty-five out of 71 countries. The total numbers of SSA countries in the semiperiphery did tend to increase very slowly and yet, only one country fell back into the periphery. In 2010, Republic of Congo was at the bottom of the semiperipheral zone and fell out in 2011 but reclaimed a spot in the semiperiphery in 2012 and has continued to remain there. As of 2015 SSA still only make up 14% and 60% of the semiperiphery and periphery respectively.
Country level results

In examining individual country performances, a few things stand out.

1) that some countries jump from the bottom of the distribution to the semiperipheral zone and stay there;
2) that some countries enter at the semiperipheral zone and stay there; and
3) with the exception of Zimbabwe whose progress has been sluggish, the countries that move up steadily in the hierarchy are the ones that do so during the period of renewed Chinese engagement.
4) most importantly, the countries that are upwardly mobile in the distribution are resource-rich.

To capture these different types of individual country performances, all countries are ranked hierarchically for the three recent years where the total number of data points were relatively the same. Then for each year, the number of points SSA countries move up or down, is calculated. A partial representative list is displayed in Table 1. As indicated before, there are a few countries that have been in the semiperiphery from the beginning of the study such as Seychelles, Gabon, and South Africa. Additionally, at the time of its independence from South Africa (both partially in 1985 and fully in 1990) Namibia became part of the semiperipheral economic zone and remained there throughout the study. Many of these countries have been in the semiperiphery for some time.

But beginning in 2000, Nigeria, Zambia, Ghana, Angola, Cote D’Ivoire, all began experiencing upward mobility within the stratified global economy. However, of note is the fact that they are also resource-rich countries that share significant trade and foreign investment relations with China.
Table 1. Differences in Rank from 2000 to 2005 and 2005 to 2010 for SSA countries.

<table>
<thead>
<tr>
<th>Country Name</th>
<th>2000 vs 2005 Difference in Rank</th>
<th>Country Name</th>
<th>2005 vs 2010 Difference in Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seychelles</td>
<td>-2</td>
<td>Seychelles</td>
<td>-7</td>
</tr>
<tr>
<td>South Africa</td>
<td>+6</td>
<td>Gabon</td>
<td>-1</td>
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<tr>
<td>Gabon</td>
<td>+12</td>
<td>South Africa</td>
<td>-8</td>
</tr>
<tr>
<td>Namibia</td>
<td>-5</td>
<td>Equatorial Guinea</td>
<td>+9</td>
</tr>
<tr>
<td>Cabo Verde</td>
<td>-2</td>
<td>Namibia</td>
<td>-7</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>+45</td>
<td>Swaziland</td>
<td>-13</td>
</tr>
<tr>
<td>Djibouti</td>
<td>-11</td>
<td>Cabo Verde</td>
<td>+2</td>
</tr>
<tr>
<td>Gambia, The</td>
<td>-43</td>
<td>Angola</td>
<td>+27</td>
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<tr>
<td>Cote d'Ivoire</td>
<td>-8</td>
<td>Cote d'Ivoire</td>
<td>-6</td>
</tr>
<tr>
<td>Zambia</td>
<td>-25</td>
<td>Nigeria</td>
<td>+17</td>
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<tr>
<td>Angola</td>
<td>+17</td>
<td>Zambia</td>
<td>+20</td>
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<td>Ghana</td>
<td>-7</td>
<td>Ghana</td>
<td>+20</td>
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<tr>
<td>Zambia</td>
<td>-2</td>
<td>Zimbabwe</td>
<td>-6</td>
</tr>
<tr>
<td>Nigeria</td>
<td>11</td>
<td>Gambia, The</td>
<td>+4</td>
</tr>
</tbody>
</table>

Often, natural resource-specific upward mobility within the global economy is minimized and theoretical discussions about these movements tend to be about the resource-curse and the ability for these countries to maintain their growth or mobility. And this is understandable – one only has to look at the case of Zambia and copper. Yet, there is more to this. Without getting into the specifics of natural-resource type (re: gold vs copper or diamonds vs oil) and examples of countries whose economies have remained stable despite being completely dependent on a natural-resource, Bornschier and Trezzini (1996) offer a way to conceptualize these movements. They argue that resource-rich semiperipheral states behave like, and are similar to, peripheral ones. Bornschier and Trezzini contend that in resource-rich semiperipheral states, the income received from the natural resources go to and are kept by the elites; there is little to no investment or incentive to invest in infrastructure; and government legitimacy is obtained through coercive measures.
Discussion

Is there a China factor at play?

It is rather hard to ignore China’s involvement in Sub-Saharan Africa and the fact that countries that have been upwardly mobile in the stratified world-economy have strong ties to China. While a regression model could be used to determine how much, if any, China has positively influenced the encouraging gains we see in some SSA countries, I have opted to go with a more macro-historical approach as I have reservations about using multiple SSA macro-economic variables/indicators. For one, articles using statistical modelling to understand ‘development’ in SSA always need caveats for interpreting their results due to questions surrounding the data (Jerven 2013). This is despite the fact that more and more data is becoming available for the region. Furthermore, although the data on foreign aid and investment from China to SSA is becoming more and more accessible, it is partially deficient\textsuperscript{17} and frankly most likely biased.\textsuperscript{18} Secondly, by using historical evidence and looking at individual cases, we get a much clearer picture of what is happening in SSA.

Ian Taylor wrote in 1998 that China’s position in the UN Security Council could enable China to become a major player on the global stage but that Beijing would need to maintain an active and visible

\textsuperscript{17} AidData, which keeps one of the most comprehensive dataset on Chinese foreign aid and FDI, came under a great deal of criticism (primarily from the director of the China-Africa Research Initiative (CARI) at Johns Hopkins University School of Advanced International Studies) because of a supposed general lack of data verification. This led AidData to pursue ‘on-the-ground’ verification of its data through in-person interviews and site visits (Muchapondwar et al. 2014). Still, this ground-truthing research was very limited in scope. AidData has also resorted to mining academic papers for data and as a means of verification for their own database; but of course, that has its own problems. China’s Ministry of Commerce (MOFCOM) is typically also used as a source for FDI information. However, at CARI’s 2015 conference, Mao Xiaojing of the Chinese Academy of International Trade and Economic Cooperation and MOFCOM, noted that while most Chinese FDI data used in research in the Occident comes from MOFCOM, the data they make available is only the data that the ministry itself collects. Other branches of the Chinese government do not always share data with MOFCOM. This means that their dataset is lacking.


\textsuperscript{18} There is an inherent bias in data that is collected from Chinese firms in Africa when the research projects themselves are pre-negotiated with these firms.
interest in Africa, which acts as a support constituency to China’s claims as a world leader (Taylor 1998). In 2000 China re-established its engagement in Africa by launching a Programme for China-Africa Cooperation in Economic and Social Development at its first Forum on China-Africa Cooperation (FOCAC). Beginning with the first FOCAC, China cancelled 1.2 billion USD worth of debt from a total of 31 African countries and applied approximately 400 tariff exemptions on imports from 29 SSA countries. Economic ties between Beijing and SSA has strengthened since then as per IMF DOT statistics. The United Nations Conference on Trade And Development (UNCTAD) and China’s MOFCOM document increasing FDI from China to SSA. Both AidData and data from the China-Africa Project at the Johns Hopkins School of Applied International Studies confirm the significant increases in foreign aid and investment to SSA (Brautigam 2008, 2015; Muchapondwar et al. 2014; Will and AidData 2013).

Paulo Drummond and Estelle Xie Liu determined that China’s economic growth generated an increase in investment and aid to SSA and direct trade expansion for China’s African partners. More significantly, the authors also found that for resource-rich SSA countries, one percentage point increase in China’s domestic investment growth is accompanied by a 0.8% increase in export growth rate (Drummond and Liu 2013). This, legitimates previous claims by several authors (Brautigam 2008, 2010, 2011a, 2011b; Kaplinsky et al. 2010; Kobayashi 2008) that China’s foreign aid and investment is heavily centered around resource extraction and is also beneficial to SSA. These same authors have also found a link between the concentration of China’s foreign trade with that of natural resource concentration in SSA.

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19 Almost twenty years later, Taylor’s words still ring true. A recent article in the Economist, noted that based on AidData statistics, if African countries voted with China an extra 10% of the time, they would get an 86% bump in official aid on average. If Rwanda, for instance, were to cast its ballot alongside China 93% of the time (instead of its current 67%), its aid from China could jump by 289%.
In our study of the movements in the semiperiphery and periphery zones, it is clear that there is a link between the SSA countries that are performing well at a steady pace in the global economic hierarchy, natural resource concentration and increasing foreign aid, investment, and trade with China. In Fig. 5. we can see the concentration of Chinese foreign aid in SSA, according to AidData. Again, these numbers are most likely lower than the actual amounts spent (see Footnote 5).

In terms of absolute movement from one zone to another, in 2006 Angola moved from our periphery grouping to semiperiphery/ Ghana and Nigeria steadily moved to the top of the periphery and Nigeria finally crossed the threshold into the semiperipheral zone in 2012. Again, these rankings are predicated purely on how these countries are doing in a global economic hierarchy that is based on the country’s percent of the total world population as a function of its GNI per capita.
To re-iterate, the results show that those countries who entered the world-economy at the semiperipheral level post decolonization, with the exception of Zimbabwe, remained there. This is no surprise. Wallerstein pointed out on many occasions that the modern capitalist world-system was one wherein movements from one zone to another were challenging at best. The debt-crisis of the 1970s and 1980s along with myriad institutional problems (political and social) kept the SSA countries paralyzed at the bottom.

This study has been able to empirically demonstrate the overall sluggishness of the region in the stratified world-economy, and has observed the link between natural-resource rich countries, Chinese engagement, and upward mobility of individual countries. However, the broad systemic explanations undergirding these movements or lack thereof does not always apply across the board especially in a region so diverse politically, economically, and socially. For example the assumption amongst early development theorist was that foreign direct investments could kick-start the industrialization process and propel a country up the development ladder (See Rostow (1959, 1960) for example). Later theorist examined the link between foreign direct investment and development and found that a number of caveats were necessary for development to occur, particularly the presence of good governance and economic policies (Desai, Foley, and Hines 2007; Dollar and Burnside 2000). And yet, these types of standard explanations do not always apply; and the rigidness of structure of the world-system is not always a sufficient explanation. This is obvious when dealing with the Sub-Saharan region. Individual country’s historical and socio-political processes do help understand the movement up and down the global structural hierarchy.

Therefore, this means historicizing and contextualizing the results of this study, which we must understand as a supplement to the empirical evidence of broad systemic changes (which themselves must be historicized). Given the sheer number of countries in the study and the type of results found, there needed to be a means with which to pursue this line of analysis. In this article, the extreme case comparison approach as outlined by Seawright and Gerring (2008) is employed. According to the authors, we must
choose one or more cases that exemplify extreme or unusual values relative to the rest of the distribution. The cases should be exploratory and must be understood in comparison to the total sample case. Therefore, it is precisely because of their a-typical qualities that Zimbabwe and Botswana are brought into focus. It is their unusual-ness that brings value to the study, much in the same way that negative cases ((Emigh 1997; Mahoney and Goertz 2004) do.

Like many of the upwardly mobile countries, both Botswana and Zimbabwe have significant amounts of valuable natural resources. In the first case we have no Chinese intervention but upward mobility; in the second case we have Chinese intervention but little mobility; in the first case we have purportedly “good governance” but abnormally high within-country inequality; in the second case there is the assumption of “bad governance” but within-country inequality levels that are typical of the region. Analytically, these cases help highlight the need to consider the agency of the nation-state while still keeping the world-system as the unit of analysis. The cases are meant to compliment and deepen our understanding of structural changes not replace them. The next section is a discussion of two SSA cases that help bring underlying structural issues into focus.

**Country in focus - Zimbabwe**

Of note is that Zimbabwe received a significant amount of Chinese foreign aid and investment and yet, it remains stagnated in the tail end of the distribution. According to AidData, Zimbabwe has received 3.82 billion US dollars in official Chinese finance. Most of the financing has been allocated in the energy generation and supply, and the agriculture, forestry and fishing sectors (Will and AidData 2013). However, we must keep in mind, that notwithstanding the foreign aid and investment, the total trade between China and Zimbabwe is low compared to other SSA countries and is primarily the export of tobacco to China and the import of manufactured goods in Zimbabwe. It is the only country receiving substantial foreign aid and investment but limited trade.

The impact of foreign aid and its effectiveness have been examined by many authors and could be
applied to the case of Zimbabwe. For example, Dollar and Burnside’s (2000) contention that aid effectiveness is increased when the recipient country has good quality state institution can be used to explain Zimbabwe non-progress. Or, McGillivray et. al.’s (2006) discussion on the issue in which they assert that good policy regimes are needed for foreign aid to have a positive impact on the host country’s economic growth. Or even Kentor and Boswell (2003) who found that the effectiveness of foreign investment and aid was tied to partner concentration – that is, foreign aid and investment had a positive impact as long as the numbers of partners were diverse. Padraig Carmody (2007) has also argued that changes brought about by neoliberal pressure on the Mugabe government only served to increase the precariousness of the people of Zimbabwe. However, Zimbabwe’s case is far more complicated than this. Dollar and Burnside (2000), McGillivray et. al (2006), Kentor and Boswell (2003) and even Carmody’s reasoning, in part, might hold true for Zimbabwe, but they can also be held true for some of the other SSA countries in our study that made ‘progress’.

Zimbabwe’s lack of ‘progress’ then, must be understood within its own context. Contrary to Carmody, many have argued that structural adjustment programs (SAPs) were not forced unto the Mugabe government but instead, there was a home-grown and domestically supported move for SAPs (Bond 1998; Cliffe 1991; Dashwood 1996; Kayenze 2003). However, that does not negate the destructive impact of SAPs/neoliberal policies on Zimbabwe’s poor. Furthermore, in this case, SAPs engendered a critical issue for the Mugabe government – one of legitimacy. SAPs were simply not compatible with Mugabe’s one-party government whose legitimacy was virtually grounded on the idea that the government would always support the poor through social programs. Mugabe in turn, tightened his authoritarian grip on the country, accelerating land reforms and threatening to expropriate foreign investments.

Also, adding to the contradictory nature of the Zimbabwean context, is that some authors have suggested that the 1990s was actually an era of strengthening civil society (Moyo et al. 2000; Nordlund 1996) despite the ever increasing authoritarian and non-democratic approach of the Mugabe government.
Of course, it is important to understand that governance and democracy are not one and the same (Stedman 1993). Possibly paramount to discerning the underlying reasons for Zimbabwe’s continued economic sluggishness, even after significant foreign aid and foreign direct investment, is the idea put forth by Patrick Bond (1998), that Zimbabwe’s capitalist economy during white rule was unevenly developed and inherently unbalanced creating lasting and enduring effects. Or the similar notion of viewing Zimbabwe as an ‘enclave and dual economy’ suggested by Godfrey Kayenze (2003).

To explain further: When Ian Smith seized power in 1964 and established white minority rule, focus was maintained on large scale commercial farming, manufacturing and mining. In 1980, following independence, these sectors accounted for a sizeable amount of the country’s gross domestic product (GDP) and a full fifty-five percent of formal employment (Kayenze 2003). These sectors were controlled by the minority white population post-independence. More crucially though, is the fact that the formal portion of the economy – which Kayenze notes is diverse and dynamic – only accounted for a fifth or one million of the potential labor force (Kayenze 2003).

Bond (1998) however, argued earlier that even though Zimbabwean economic advancement seemed dynamic up until the 1990s, this was not sustainable. This is tied to the fact that the majority of the labor force (which were also black) were either underemployed or in the informal or communal sector (a point that Kayenze (2003) also makes) and the white minority maintained control of the formal economy. For Bond, with majority of the population so poor, and the tendencies of accumulation within capitalist economies, the Zimbabwean economy had a consumption problem – the inability to consume in the formal economy, which in turn lead to fewer options for investment opportunities.

The post-independence economic landscape remained relatively unchanged. Furthermore, post-independence, whites (making up 4.5% of the population) continued to own and control prime agricultural land with blacks possessing land in agricultural zones with poor soil composition for farming and unreliable rainfall (Moyo 1986; Stoneman 1988). Moreover, as late as 2000, whites (making up 0.6% of the
population) still controlled 70% the prime agricultural land (BBC News 2000). Nick Amin (1992) argued that the Mugabe government was essentially complicit in this structure of the economy proven by Mugabe’s focus on and successful backing of small scale communal farming instead of pursuing land and economic reforms. Amin’s argument also supports later claims by Tor Skalnes (1995) that economic choices made by the government were rational-interest based actions. In an effort to maintain Zimbabwe’s post-independence growth, Mugabe pursued economic policies that kept the old structures in place rather than implementing newer and more dynamic ones to fit the changing landscape of his country’s economy.

The uneven economic development of Zimbabwe while initially giving the illusion of dynamic economic advancement, did not translate into high employment rates. Exogenous stress (such as world recession, drought) and significant pressure placed on the government to continue this form of ‘uneven development’ produced a situation that left Zimbabwe with little room for development. Interestingly, the IMF considered Zimbabwe an ‘under-borrower’ in the 1980s and so the Mugabe government racked up a significant amount of debt very early on. As the 1990s progressed Zimbabwe continued to pursue SAPs, and Mugabe’s persistent support of the ‘enclave and dual economy’ resulted in a crisis of legitimacy for the one-party government. In 2000, ahead of 2002 elections the government decided to fast-track land reforms (The Fast Track Land Reform Programme) resulting in severe international sanctions. But, it was not until 2010 that Mugabe declared that he would expropriate all privately held companies in Zimbabwe if Western sanctions were not removed.

Another dimension to Zimbabwe’s lack of progress in the stratified world-economy, has to do with the leadership (political and military elite) of the government and its commitment to maintaining its own power rather than to the people in Zimbabwe. We have already seen that even after Mugabe gained power, he kept the economic structures of the Ian Smith era in place, maintaining the old system of uneven development. The sanctions from 2000 isolated Zimbabwe, resulting in complete economic collapse. In 2003, the Mugabe government adopted a “Look East” policy (Chun 2014). This move brought in foreign
aid and some trade primarily from China but also from Malaysia, South Korea, Singapore and other countries from the Orient, allowing the Mugabe government to function on its own terms (which included human rights abuses). But, this meant that the government now had the finances to continue its militarization of the political and social sphere it had begun in 2000 (Masunungure 2011). Furthermore, because of its diminished liquid revenue (in 2013, there was only $217 in the government’s public account (BBC News 2013)), much of Zimbabwe’s trade and funding scheme repayments with China had to be done through payments of diamonds (Farineau 2013), elephant ivory (Taylor 2005) and more recently, through payments in livestock such as young elephants (Somerville 2017).

Both payments through diamonds from the Marange area of Zimbabwe and the sale of live animals like elephants, while allowing the government to function have not had a qualitative impact on the economy. In fact, many have argued that this has exacerbated human rights abuses and increased international trade violations. Farineau writes that “Zimbabwe’s diamond mining industry has proved to be one of the most horrendously abusive in the world” and much of this is sanctioned by the government (2013:30). Illegal poaching and the smuggling of rhino horns have also been problematic (Nyathi 2017). China has taken a non-interventionist approach with regards to questions of human rights abuse (Permanent Mission of the People’s Republic of China to the UN 2008) in the developing world, stating time and again that a country has a right to define what constitutes human rights and how those rights are to be defended. It has also denied the receipt of payments in the form of livestock and ivory.

For China, questions of human rights are to be dealt with by the government of a country and any type of external intervention would be an attack on the sovereignty of said country. This is an interesting

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20 Zimbabwe has one of the world’s largest reserves of platinum, as well as considerable gold, silver and copper deposits. Due to the lack of infrastructure and funding, these have been left underutilized (Eisenman and Kurlantzick 2006) and negotiations between Chinese firms and the Zimbabwean government has not been to the advantage of the unemployed population in Zimbabwe (Botha 2006; Smith 2011).
position that seem to benefit the Zimbabwean and Chinese government. First, the government of Zimbabwe consistently violate the rights of its citizens (Farineau 2013) when it comes to mining diamonds that are then used to deliver on payments to the Chinese for foreign aid (which is often in the form of low-interest loans). The Mugabe government also regularly held elections to maintain a semblance of legitimacy while at the same time suppressing any opposition parties. China’s claim of non-interference due to its respect for the sovereignty of Zimbabwe is suspect given its initial contribution of small arms to Mugabe to help in Zimbabwe’s struggle for independence (Chun 2014; Tull 2006). Not only that, but China has also continued to provide arms (Abramson and Lasky-Fink 2008; Taylor 2005; WikiLeaks 2003) and civilian surveillance technology (WikiLeaks 2003) to the Mugabe government which is known to have been used to suppress Mugabe’s opponents. Most recently, it has been argued that China played a significant role in Mugabe’s ouster of November 2017 (Vasabjit and Rich 2017).

The internal issues facing Zimbabwe concomitant with external pressure from other African countries and the West has contributed significantly to Zimbabwe’s continued stagnation. It is not simply an issue of the ‘right democratic policy regimes’ or ‘good quality state institutions’ - an insight that is becoming increasingly clear to others (Chitiyo, Vines, and Vandome 2016). And, it is not surprising that despite increasing Chinese foreign aid and investment, Zimbabwe persists at the tail end of our distribution.

**Country in focus - Botswana**

Another issue to consider in this discussion of our study’s results is that while some countries in SSA or in the general distribution may jump from one zone to another, this is only with regards to their relative command of global economic resources or their total benefits from the global division of labor and this does not really translate into economic advancement for their individual citizens. This means that although some of these countries may be undergoing remarkable economic advancement in terms of global stratification, their within country inequality may be on the rise.
According to the United Nations Development Programme’s 1996 Human Development Report, when considering a country’s development, it is important to consider expansion of employment opportunities and reduction of within country inequality. Botswana then, is a fairly interesting case in our study. Unlike the majority of the countries in SSA, it has not received any significant foreign aid or enjoyed a trade relationship with China. Additionally, it is on the opposite spectrum from Zimbabwe in that it has moved significantly in our distribution.

This is not particularly surprising, of course. The World Bank and IMF has touted Botswana as the quintessential example of democratic and economic development in SSA (International Monetary Fund 2014; World Bank 1989, 1990). Reasons for Botswana’s success, despite being surrounded by white regimes in Zimbabwe and South Africa, have fallen into two categories. The first of that of luck. A few short years after gaining its independence from Britain in 1966, massive copper, nickel and diamond deposits were discovered. The diamond mines were developed by De Beers and to date, Botswana is one of the top diamond producers in the world. In addition to the timely discovery and development of Botswana’s natural resources, in terms of its agricultural output, unlike Zimbabwe, Botswana enjoyed approximately fifteen years of wet cycles fostering a successful agricultural sector. Finally, unlike so many African countries, Botswana’s ethnic population is relatively homogenous – about 79% are Batswana, 78% speak Setswana, and about 72% are Christian. This minimizes ethnic and tribal tensions in Botswana.

The second category for which explanations for Botswana’s ‘progress’ and development are associated with, are its economic and policymaking management. This is typically thought of as being exemplified in Botswana’s multiparty, and democratic government. Some authors have argued that Botswana’s success has to do with good governance. Stephen R. Lewis (1993) has offered arguments such as Botswana’s leaders having developed ‘a clear sense of priorities even before independence’ (1993:19); or ‘tradition and history’ (1993:21); or the leadership’s ‘openness, tempered with humility’ (1993:22); or that ‘Botswana was not afflicted [my italics] by any rigid ideology regarding economic policy at independence’
(1993:23). J. Stephen Morrison (1993) submits Botswana’s ‘ethos of state action’ as another reason for the country’s success. The problem here of course is that the authors reify the Batswana and imply that they, the Batswana, are somehow intrinsically better than other Africans – hence their success. There is no reference to the fact that the Batswana were not subjected to cruel white-minority regime rule which marked the social psyche of the neighboring African countries.

The fact is that, unlike Zimbabwe for example, the transition from British protectorate to independence went relatively smooth for Botswana and it was not about being ‘afflicted by ideology.’ There was a certain amount of continuity in government leadership amongst the elite. This was accompanied by a smooth change to a multiparty democratic system with an inherited market system. It is essential to understand that this came about primarily because harsh white minority rule was absent. Against this background, Botswana’s well-institutionalized state management system has been presented as the strong basis for continued economic growth (Collier 2008; Collier and O’Connell 2007). Collier and Gunning (2007) explain that moreover, the government’s system of checks and balances has helped this process significantly. The authors also observe that the vetting of public spending projects for honesty through strict rules of competitive proposal tendering and for efficiency through strong technical scrutiny is a vital aspect of the government’s system of checks and balances.

The above institutional reasons for understanding Botswana’s development is reasonable but is only part of the picture. Exogenous factors – particularly international organizations and foreign governments – have played an active role in Botswana’s success. In Zimbabwe, the international community was largely unobtrusive with regards to the country’s internal (in)stability and paid more attention to the Mugabe government’s role in the region (Laakso 2003). Mugabe’s government was ‘praised for its policy of tolerance and reconciliation with regard to the white minority’ (Laakso 2003:5) vis-à-vis in its capacity as a leading voice in the Southern African Development Co-operation Conference. However, its inner turmoil was, by and large, left unattended.
It has also been argued that the United Kingdom did not provide the Zimbabwean government with promised funds for its land reform programs, which contributed to the lack of economic advancement and later on, the political stability of Zimbabwe (Stoneman and Cliffe 1989). Yet, when Mugabe threatened to aggressively pursue its land reform program, the international community was quick to impose sanctions on Zimbabwe. On the other hand, post-independence, Botswana benefited from large amounts of foreign aid, which enhanced the country’s economic prosperity (Molutsi 1993). Molutsi (1993) argues that the receipt of foreign aid was tied to Botswana’s bourgeoning and domestically supported liberal democracy. He writes, ‘Botswana has been fortunate to be one of the leading recipients of both foreign financial assistance and private capital investment. These two sources of support contributed significantly to the establishment of a strong economic base’ (Molutsi 1993:53).

As discussed in the beginning of this section, despite its phenomenal national economic advancement, issues of within country inequality have been problematic for Botswana. The International Monetary Fund (IMF) report from 2012 on Botswana reported higher than average economic growth in Botswana but also documented a higher than average Gini coefficient, which represents high within country inequality. The IMF report notes that the country’s Gini coefficient was 0.54 in 1985/86 and 0.61 in 1993/94, placing Botswana among the highest levels of inequality in the SSA and in the world (International Monetary Fund 2012). As per the IMF, the poor Gini coefficient figures for Botswana may be due to the calculation method and disparities related to health (Botswana has an HIV/AIDS prevalence rate of almost 25%) and education but it has also been argued that wage earnings is the primary cause of inequality (Okatch, Siddique, and Rammohan 2013).
Arrested Development: SSA in the world-economic system

The results from this study highlight and support several theories about advancement in world-economic stratification. Firstly, the study supports previous work documenting decreasing between country inequality (Andic and Peacock 1961; Beckerman and Bacon 1970; Berry et al. 1983; Rati 1989). More specifically, it supports Hung and Kucinskas’ (2011) theory that given the populous-ness of some of the world’s poorest areas, their higher-than-world-average GDP growth rate, coupled with lower-than-world-average real GDP per capita income, could likely lead to a reduction of global inequality. Although Hung and Kucinskas are primarily discussing China and India, their logic can be extended to Sub-Saharan Africa, which is also home to significant portion of the world population. For example, Nigeria, is the most populous country in Sub-Saharan Africa and ninth in the world; if it continues to move up in the global economic hierarchy, it could significantly impact global between country inequality.

The issue of course, is that only a small number of Sub-Saharan African countries have experienced high enough GDP growth rates and moved up in the global economic distribution hierarchy. Furthermore, with SSA’s level of integration into the world-economy, these high economic growth rates appear to be tenuous at best, and rather sensitive to global recessions as we are currently seeing with the Nigerian economy which, the IMF has predicted will most likely shrink in 2016 (Doya 2016). The World Bank had also forecasted a less than stellar growth rate for Nigeria citing weakness from oil-output disruptions and low oil prices. The reasons behind the predictions for lower economic growth rates for Nigeria is in part related to our next point which is that the SSA countries that have made headway in the global economy are those that are resource-rich countries. This highlights the potentially very problematic issue of the oversaturation of natural resource sector-specific foreign direct investment especially by China in SSA.

It is therefore reasonable to raise the issue of ‘Dutch Disease’ given the results of this study. In the case of Nigeria, ‘services’ is the largest and fastest growing sector of its economy making up 50% of its GDP, with ‘agriculture’ at 23% and ‘crude petroleum and natural gas’ at 11%. However, if we look at its
trade figures, it is crude petroleum and petroleum gas that accounts for its largest export figures – 87%.

Interestingly, Nigeria mostly exports to India, followed by Spain and Brazil but imports mostly from China. Unsurprisingly, 77% of China’s imports from Nigeria is crude petroleum and petroleum gas. The question of ‘Dutch Disease’ becomes more complex because although we can clearly see a heavy reliance on the crude petroleum and gas sector in terms of exports, GDP growth is not solely dependable on that sector. Furthermore, in taking a look at Nigeria’s trade partners, we see some amount of diversity. And this makes us view China’s engagement with SSA as strategic.

China’s relationship with SSA can be considered as being one more of geopolitical alignment and unlike Fukayama’s (1992) pronouncement, geopolitics has most definitely not been subordinated to economics. As more countries move toward the center of the global economic distribution, strategic geopolitical alliances become more and more important. China began by providing a viable alternative to Western-type foreign aid to many SSA countries while at the same time undermining the West’s ally (Taiwan) in the region. This is particularly important for China who one can argue has been positioning itself on the world stage as a model for development and as a leader and voice for the less developed countries across the globe. As with the Bandung Conference in 1955, China is once again establishing itself as an ally of African development and African freedom from oppressive Western policies. In 1955, it argued that Chinese communism as opposed to Russian communism was a better option for Africa (Grell-Brisk 2016). This strategic alignment with Africa paid off when in 1971 the People’s Republic of China (PRC) sought recognition as the representative of China at the UN – a position that had been held by Taiwan. A significant number of the votes in favor of this move, came from African countries. In contemporary international relations, with Africa’s immense population and significant natural resources, and an ever increasing warm (as opposed to cold – in the ‘cold war’ sense of the word) world, aligning itself with Africa is a good wager on the part of China.
Now one of the major actors in the global economy, China continues to call for a multipolar world where influence and power is more diffuse and not concentrated in the West. It has taken an increasingly strong and militaristic stance on its claims in the South China Sea and as Mead (2014) rightly points out, unlike Russia and its limited economic power, China has the strongest geopolitical capability of the rising nations.
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