Working Between Confrontation and Harmony

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

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Background

- Rapid growth of Chinese economic activities in Africa

Source: MOFCOM of P.R.C.
Background

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

- Topics
  - Influx of Chinese Workers?
  - Low Wages?
  - Poor working conditions?
  - Hard work?
  - Disciplines?
Influx of Chinese Workers?

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

Source: The Ministry of Finance of Angola, June 30, 2007
<table>
<thead>
<tr>
<th></th>
<th>No. of Tenant Companies (signed)</th>
<th>No. of Tenant Companies (in operation)</th>
<th>Tenants: Approx. # of Chinese workers</th>
<th>Tenants: Approx. # of African Workers</th>
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<tbody>
<tr>
<td>Egypt TEDA</td>
<td>49</td>
<td>38</td>
<td>103</td>
<td>1102</td>
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<td>Zambia Chambish</td>
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<tr>
<td>Nigeria Lekki</td>
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<td>6</td>
<td>50</td>
<td>400</td>
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<td>Mauritius Jinfei</td>
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<tr>
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<td>Ethiopia Eastern</td>
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<td>6</td>
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Source: Field research
a large number of Chinese workers have come to Africa recently.
employment of local workers is both encouraged by governments and motivated by economic calculation (reduce labor costs)

- early reliance on Chinese employees

- related to Chinese companies’ labor intensive business models.

- short term need and long term trend
Low Wages?

- No clear unambiguous answer

Case study: two Chinese tanneries in Ethiopia
Low Wages?

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

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

e.g. labor protection and safety issues in mining

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

- stereotypical perception of Chinese work ethics and African characteristics
  - “the Chinese do not rest;”
  - “their work cannot be done by human beings;”
  - “slow”, “inefficient”, “backward,” or simply “lazy.”

- learn spirit of hard work
Questions

What makes up hard work?

Overtime?  Heavy load?
Disciplined Organization?

- Punctuality

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

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

● Capitalist Logic

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

● Adaptation and Social Integration

  capitalism with Chinese characteristics vs. capitalism with African characteristics

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