

**CHINA'S ECONOMIC POLICY AND ITS INFLUENCE ON SOUTHERN AFRICAN
DEVELOPMENT COMMUNITY INTEGRATION (1992–2013)**

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DECLARATION

I declare that this thesis is the result of the research conducted by me. No previous work has been done on the research topic. All citations, references and borrowed ideas have been duly acknowledged. It is in fulfilment of the requirements for the Degree of Doctor of Philosophy in International Relations in the Faculty of Human and Social Sciences, North West University, Mafikeng, South Africa.

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DEDICATION

I dedicate this work to the Almighty God for His grace and blessings that have been my life sustenance. The successful completion of this study is a pure act of His grace without which all personal efforts would have been in vain. Thank you, the Eternal Rock of Ages.

I also dedicate this work to my earthly pillar, my mother, who even at the risk of her own comfort and health never relented in giving the needed support and inspiration that propelled me to fire on even when hopes appeared to dim. I say, thank you so much; you are the best mother anyone can have.

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ABBREVIATIONS AND ACRONYMS

Afec: Anhui Foreign Economic Construction Cooperation

AGOA: African Growth Opportunity Act

AIDS: Acquired Immune Deficiency Syndrome

APEC: Asian Pacific Economic Cooperation

ASEAN: Association of South East Asian Nations

ASEM: Asia Europe Meeting

AU: African Union

BRIC: Brazil, Russia, India and China

BRICS: Brazil, Russia, India, China and South Africa

CAD: China-Africa Development

CCP: Chinese Communist Party

CCTV: China Central Television

CET: Common External Tariff

CIA: Central Intelligence Agency

CIF: China International Fund

CIWE: China International Water and Electric

CM: Common Market

CMEC: China Machinery Engineering Company

CNEEC: Chinese National Electric Equipment Corporation

CNOOC: The China National Offshore Oil Corporation

CNPC: China National Petroleum Corporation

COMESA: Common Market for East and Southern Africa

COREMO: Comite Revolucionario de Mocambique

CU: Custom Union

DRC: Democratic Republic of Congo

EAC: East Africa Community

EEAS: European External Action Service

EPA: Economic Partnership Agreement

EU: European Union

Eurosta: European Union Directorate General of Statistics

Exim bank: Export and Import Bank

FDI: Foreign Direct Investment

FNLA: Frente Nacional para Libertacao de Angola

FOCAC: Forum for China Africa Cooperation

FRELIMO: Frente de Libertacao de Mocambique

FS: Frontline States

FTA: Free Trade Area

FTAA: Free Trade of the Americas

G20: Group of 20

G77: Group of 77

GARCH: Generalised Auto-Regressive Condition Heteroscedasticity

GDP: Gross Domestic Product

GSP: Generalized System of Preference

HIV: Human Immune Virus

ICBC: Industrial and Commercial Bank of China

ICPs: International Cooperation Partners

ICT: Information Computer Technology

IDPF: Industrial Development Policy Framework

IMF: International Monetary Fund

IUMP: Industrial Upgrading and Modernisation Programme

LDC: Least Developed Countries

LIC: Less Industrialised Countries

MDM: Movimento Democratico de Mocambique

MoU: Memorandum of Understanding

MPLA: Movimento Popula de Libertacao de Angola

MU: Monetary Union

NBC: Namibian Broadcasting Cooperation

NCP: National Contact Point

NEPAD: New Economic Partnership for African Development

NHC: National Housing Cooperation

OAS: Organisation of American States

OAU: Organisation of African Unity

PAC: Pan African Congress

PPI: Private Participation in Infrastructure

PPPs: Public-Private Partnerships

PRC: Peoples Republic of China

ProBec: Programme for Biomass Energy Conservation

REC: Regional Economic Community

RENAMO: Resistencia Nacional Mocambicana

REPEM: Regional Energy Planning and Environmental Management

REPGA: Regional Petroleum and Gas Association

REPN: Regional Energy Planning Network

RER: Real Exchange Rate

RERA: Regional Electricity Regulatory Association

RIA: Regional Integration Arrangements

RISDP: Regional Indicative Strategic Development Plan

ROC: Republic of China

RPO: Regional Poverty Observatory

RPRF: Regional Poverty Reduction Framework

SAACC: Southern Africa Aid Coordination Conference

SAACEM: Southern Africa Centre for Elephant Management

SAARC: South Asian Association for Regional Cooperation

SABC: South Africa Broadcasting Corporation

SACCAR: Southern African Centre for Cooperation in Agricultural Research

SACU: Southern Africa Custom Union

SADC: Southern African Development Community

SADCC: Southern African Development Coordination Conference

SAIIA: South Africa Institute of International Affairs

SAPP: Southern Africa Power Pool

SATCC: Southern African Transport and Communication Commission

SC: Single Currency

Sinopec: China Petrochemical Corporation

SIRI: System of Indicators of Regional Integration

SMEs: Small and Medium Enterprises

SMMEs: Small, Micro and Medium Enterprises

SNCs: SADC National Committees

SSA: Sub-Saharan Africa

TAFTA: Trans-Atlantic Free Trade Area

TIC: Tanzanian Investment Centre

UK: United Kingdom

UNCTAD: United Nations Commission for Trade and Development

UNIDO: United Nations Industrial Development Organisation

UNITA: Uniao Nacional para a independencia Total de Angola

UNO: United Nations Organisation

US\$: United States of America Dollar

USA: United States of America

USSR: Union of Soviet Socialist Republics

WESTCOR: Western Corridor Project

World Bank: International Bank for Reconstruction and Development

WTO: World Trade Organisation

ZACPLAN: Zambezi River Action Plan

ZANU: Zimbabwe African National Union

ZANU-PF: Zimbabwe African National Union-Patriotic Front

ZAPU: Zimbabwe African Peoples Union

ZAR: South African Rand

ABSTRACT

The end of the World War II was very significant in the study of International Relations. The multilateralism that was initiated in 1919, culminating in the formation of the League of Nations was re-launched with the formation of the United Nations Organisation (UNO) in 1945. Article 52, Chapter VIII of the UNO Charter provides support for the establishment and involvement of regional organisations in the maintenance of global peace and security. Europe was the first region to take the full advantage of this provision to organise itself in a developmental driven regional initiative in the post World War II era. The European Union (EU) that is currently a model of functional regional integration metamorphosed from the European Steel and Iron Commission founded in 1951.

The successes of the EU did not go unnoticed to other regions, and have influenced the policy frameworks of the Southern Africa Development Community (SADC). Faced with the devastating effects of colonialism and other forms of minority rule in the region, Frontline States was formed in 1975 to champion the liberation efforts of the Southern African region. While the apartheid regime of South Africa continued to pose threats to the region's dream of total independence and economic emancipation, Frontline States was transformed into Southern Africa Development Coordination Conference (SADCC) in 1980, and then to SADC in 1992. With the end of colonialism in the region, the focus of the regional institution shifted from political liberation to economic development through regional cooperation and integration. To actualise this objective, SADC member states have adopted and implemented various policies and entered into bilateral relations with various states. One of such engagements is the growing tie existing between China and the region.

The quest to ascertain the real impacts of the Sino-SADC economic relations on the region's integration agenda is the focal point of this study.

With the application of a multi-pronged qualitative approach with flexibility that accommodated quantitative statistical data arising from both primary and secondary source materials, the study was conducted and a grounded theory of **External influence on integration** was developed.

The study revealed that Sino-SADC states relations generally yielded both positive and negative outcomes. While it has increased the region's access to affordable goods and infrastructures, the trade pattern has contributed to SADC's over-reliance on primary products for export earning,

and thus has encouraged the influx of the Chinese products into the region, undermining its intra-regional trade and integration.

To make the bilateral ties more mutually beneficial, efforts should be made to improve on SADC industrial manufacturing base. There is need for the region to engage China in a collective negotiation in order to boost its bargaining powers and to avoid a divide and rule outcome in the bilateral engagements.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Global economic interdependence has spurred world leaders to engage in different forms of multi-lateral dialogues with the objectives of improving the economic and living standards of their states and citizens. This understanding necessitated the formation of the Southern African Development Community (SADC), one of the promising sub-regional organisations in Africa with involvement in various sections of regional and international diplomacy. The emergence of popular governments in Southern Africa which came to a climax with the dismantling of the apartheid regime in the sub-region in 1994 has greatly influenced its position in world affairs. From the struggle against minority regimes, Southern Africa has assumed a prominent position in international diplomatic circles, paving the way for the sub-region to evolve measures to improve the image, economic and living standards of its citizens. No doubt, this desire has made it possible for the sub-region to engage in various forms of interactions with both regional and international actors.

SADC was established initially as Frontline States with the goal of achieving political liberation for all Southern Africa states. SADC metamorphosed from the Southern African Development Co-ordination Conference (SADCC) that was formed with the adoption of the Lusaka Declaration on April 1, 1980 in Lusaka, Zambia. The formation of SADCC was the result of diplomatic efforts of leaders of Angola, Botswana, Lesotho, Mozambique, Swaziland, Tanzania and Zambia, working together as Frontline States. On 17 August, 1992, the Heads of State and Government at the Windhoek Summit in Namibia signed the SADC Treaty and Declaration that finally transformed SADCC into the Southern African Development Community (SADC). With this development and attainment of liberation in most states of the sub-region, the cardinal goal

of the sub- regional body expanded to include economic integration. SADC is made up of 15 states: Angola, Botswana, Democratic Republic of Congo (DRC), Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Together, SADC has a total land area of 554,919 km², population of 277 million (SADC, 2012), and Gross Domestic Product of 657.933 billion US Dollars (World Bank, 2013).

The provision of economic well-being and improved living standard, freedom and justice for all its citizens through equitable economic growth, deeper cooperation and integration, good governance and durable peace and security; and the emergence of the region as a competitive and effective player in international relations and world economy are the main articles in the missions of SADC (SADC, 2012). SADC also aims to compete effectively in international relations and the world economy. This has precipitated the engagement of SADC with various global actors with the objective of promoting its interests through such interactions. One such interaction is the fast-growing political and economic relations that exist between the region and the Peoples Republic of China, the world's second largest economy (The World Bank, 2014) and Africa's largest trading partner (Sudan Vision, 2014).

Just like its predecessors, Frontline States and SADCC, SADC faced a number of challenges towards the achievement of its set objectives. The Frontline States and SADCC encountered grave destabilization threat from apartheid regime in South Africa, resulting in constant military incursions and attacks on the territories of its neighbours, and economic sabotage (Hanlon, 1989). SADC is today being confronted by a number of issues. The regional body has adopted a number of policy frameworks aimed at boosting its integration through functional economic cooperation and integration. Prominent among these measures is the establishment of regional Free Trade Area (FTA). In its milestone integration objectives, the regional body sets out to progress from FTA to Custom Union (CU) to Common Market (CM) to Monetary Union (MU),

and to Single Currency (SC) (SADC, 2012). To achieve these targets, SADC has adopted quite a number of protocols with the view to promoting intra-regional trade liberalisation and other forms of cross-border cooperation. Among these policy frameworks are the 1996 Trade Protocol, Protocol on the Movement of Persons; Protocol on Trade in Service in addition to already stated FTA. The institution equally aims to utilize the frameworks in making the region conducive and attractive to the inflow of Foreign Direct Investment, FDI (SADC, 2012).

Meanwhile, notwithstanding the loftiness of the policy frameworks, it is instructive to note that not much has been achieved, especially in the area of intra-regional trade and Foreign Direct Investment. While the region has continued to make efforts to improve its intra-regional trade, the figure emanating from that sector is not encouraging. In this regard, Sandrey (2013), having noted the difficulty in obtaining trade figure of the region, posited that “intra-SADC trade is low (and not necessarily increasing)” and that South Africa trade dominates both the overall SADC and intra-SADC trade. Sandrey (2013) reported that Africa South intra-SADC exports and imports for 2010 were 68.1% and 14.8%, respectively. Sandrey (2013) also posited that though SADC FTA had not covered the entire region, it was making solid progress due largely to the Southern Africa Custom Union, SACU (a foremost regional economic community in the region, comprised of South Africa, Namibia, Botswana, Lesotho and Swaziland) increased free tariff access to other SADC member states.

Despite the progress made so far by SADC in its pursuit of regional trade liberalisation, Angola is still outside SADC FTA. As negative as Angola’s non-membership of the FTA might be to the overall success of the regional intra-trade and cross-border cooperation, Tengur (2003) indicated that it was also evident that member states in the trade agreement more often than not deliberately violated the terms of the agreement. Tengur (2003) further claimed that the situation had put doubts on member states, the desirability of entering into another trade agreement when the FTA had not been effectively implemented.

On the FTA and CU operation in the region, Nkoana-Mashabane (2012) argued that the main obstacle before SADC CU was the overlapping membership of the SADC states to different Regional Economic Community (REC). She stressed that Angola and Mozambique were still exceptions, but almost all the SADC members belonged to different CUs. She further highlighted that it was quite difficult to pursue a CU by the regional organisation without adequately addressing the issue of overlapping membership. She also identified the dispute over rule of origin as another constraint to the effective implementation of SADC FTA. She further contended that the priority of SADC should be to consolidate FTA by implementing the 15-point agreement which centres on the review of rules of origin, completion of tariff phase down and removal of non-tariff barriers. In addition, Nkoana-Mashabane (2012) strongly advised that the issue of overlapping membership should be resolved before the region establishes CU.

Nkoana-Mashabane's assertion is in agreement with Kaleng's (2012), elucidation that the major challenge facing SADC in its integration effort was the overlapping membership of its member states to different economic integration initiatives. Kalenga (2012) argued that the constraint to this practice had manifested in the inability of the regional bloc to effectively deal with the issue of rule of origin. He explained that it had contributed to a situation whereby member states while belonging to SADC FTA still imposed tariffs and other forms of intra-trade barriers on products from other member states, among other violations of treaty agreements.

Meanwhile, the aforementioned are not the only challenges faced by SADC in its drive towards intra-regional economic cooperation and integration. Low industrial output has been identified as one of the monsters behind the myriad of challenges facing SADC in its intra-trade and cross-border cooperation. In this regards, the non-existence of comparative advantage, and low level of diversification have been identified as the militating factors against improved regional trade integration in Southern Africa. Chauvin and Gaulier (2002) suggested that the situation is the outcome of inadequate manufacturing sector in the region and the supply of homogenous

primary products for export. The combination of these factors with poor transport infrastructure network have impeded intra-trade cooperation in the sub-region. They speculated that increased intra-sub-regional trade among SADC countries would imply either the opening of the South African market, a changing of specialisation of SADC countries, or the reduction of protection on sensitive goods. The net result would be that South Africa would concentrate on the production of high quality products and import middle and low range quality products from other SADC members.

Notwithstanding the fact that SADC FTA was launched since 2008, critics such as Tax (2014) observed that intra-trade relation in the region was still very low, while the regional economies were characterised by high concentration on the production of primary products for export with little value addition. According to Tax (2014), the situation affects the regional economies and its intra-trade policies. However, Tax (2014) emphasised that the regional industrialisation strategy must recognise the essence of regional and global values chain and must strike a balance between industrialisation and trade liberalisation in order to reduce the influx of cheap products from outside the region to its market. Tax (2014) also stressed that the regional industrialisation efforts should be linked to investment in infrastructure development, including skill development, investment in research and technical capacity development. In addition, she contended that the regional industrialisation strategy must be tied to building peace and security without which the environment might not be conducive for the implementation of the regional policies.

Despite the progress recorded so far, SADC has made tremendous efforts at advancing intra-trade liberalisation, with issues ranging from overlapping membership to different regional economic integration blocs, violation of its rules by member states and their resultant consequences. Disputes over rule of origin and other trade liberalisation barriers have continued to hamper the regional integration objectives, as has the low industrial output. In order to address

of some of its challenges, SADC member states have engaged China in various sectors of development as highlighted in chapter five of this study. The relationship with China has contributed to a substantial and growing Chinese presence in the sub-region. The relationship has equally come under scrutiny by analysts and policy makers. While some commend the regions warm relationship with the Asian country, others among other criticisms have argued that it hampers the development of the region. The need to conduct a holistic enquiry into this relationship by investigating the true implications of China's economic policy on SADC intra-regional cooperation and integration forms the basis of this research.

1.2 STATEMENT OF THE PROBLEM

African regional bodies, including SADC, have been struggling to make substantial achievements in the broader sense of functional integration, especially when compared to other regional organisations like the European Union (EU), the Organisation of American States (OAS), the Association of South East Asian Nations (ASEAN), etc. They still rely on the policy prescriptions and templates of the developed and emerging powers as guides. They have equally not exhibited the much needed presence as strong global politico-economic player on the international stage and have provided little hope. Accordingly, Nevin (2013) identified non-compliance with SADC agreements and protocols by member states as a major challenge facing the sub-region in its integrative drive. Nevin (2013) deplored the situation whereby SADC members disrupted free flow of goods and services in the spirit of SADC FTA. The imposition of surtaxes on products of SADC origin and even outright import ban by some members were some of the flagrant disregard of the FTA protocol. He also claimed that proliferation and overlapping membership of Regional Economic Community (REC) by SADC members gave impetus to the protocol violation as stated above. Some of the member states of SADC belong to the East Africa Community (EAC) and Common Market for East and Southern Africa (COMESA). Divided loyalty impacts adversely on intra-regional trade and hampers the

implementation of the SADC agreements and protocols. Evidence as shown below indicates that SADC economic relations have tilted towards players from outside of the community with little to show for the sub-regional engagement.

After nearly twenty three years, SADC is still struggling to live up to expectations. SADC trade figures for the period 2000–2010 showed that 45% of its total export and import trade volumes were with APEC (Asian-Pacific Economic Cooperation), while 27%, 15% and 3% were with the European Union (EU), the rest of the World and Africa, respectively. The intra-trade volume for the period was 10%. The total export volume was US\$89, 151.33 million, while import volume was US\$91, 608.15 million, recording a trade in-balance of US\$2, 456.82 million (SADC, 2012). The 45% bilateral trade volume with APEC as against 10% intra-regional trade does not augur well for SADC intra-regional economic cooperation.

In addition to the unfavourable intra-trade figures, the SADC's poor management of political issues in the region is coupled with its inability to effectively implement its protocol on trade liberalisation in the region. The weakness in crisis management and conflict resolution manifested boldly in the way SADC handled the Democratic Republic of Congo, Lesotho, Madagascar and Zimbabwe crises, where regional efforts at resolving the economic and political issues in the countries have not yielded much fruit. Also, the recurring disputes over country of origin of products of trade and proliferation of membership of various regional economic communities by SADC members have greatly hindered the success of its Free Trade Agreement. These are some of the evidences that SADC is still very far from achieving its targets.

In recognition of the growing trade relations between China and SADC (China is a dominant force within APEC where 45% of SADC trade was recorded in 2010), glaring presence of China in the sub-region and its growing global politico-economic clout; its relationship with SADC states have been viewed with mixed reactions, as is highlighted in the literature review.

While some analysts and scholars believe that China's economic policy is a devastating external factor to SADC/African economic development especially as regards to industrialisation drive, good governance issues and other long term development objectives, others argued that it has indeed contributed in advancing the economic fortunes and infrastructural development of the sub-region/continent. It is therefore imperative that a study is conducted to ascertain the prospects and challenges China's economic policy poses on the struggling SADC.

1.3 RATIONALE OF THE STUDY

SADC economic ties with China have received criticism and commendations from both academia and policy makers. This is highlighted in the literature review section. This serves as the motivation for the conduct of research into the subject. The study is geared towards ascertaining the thrust and the validity of the critiques of China's economic relations with SADC states. The rationale is to achieve holistic analytical positions that truly represent the topical issues of the relationship.

1.4 THE AIMS OF THE STUDY

The aim of this study is to investigate the influence of China's economic policy on SADC intra-regional cooperation and integration by examining the prospects and challenges it poses for SADC through its various bilateral and regional applications on the economies of the region. The research findings were applied in constructing a grounded theory for the study.

1.5 OBJECTIVES OF THE STUDY

The following are the objectives of the study:

- To ascertain the level of intra-regional trade and general integration amongst SADC states.
- To identify the nature of economic relations between China and SADC states.
- To determine the impacts of the China's economic policy on SADC intra-regional cooperation and integration.

1.6 RESEARCH QUESTIONS

To gain insight into pertinent issues involved in the study, the following critical questions were posed:

What is the level of intra-regional trade and cooperation amongst SADC states?

How does this impact on regional integration in SADC?

What is the nature of economic relations between China and SADC states?

What are the impacts of Sino-SADC economic relations on SADC intra-regional cooperation and integration?

Can an analytical framework for understanding economic relations between China and SADC states be developed?

What will be the utility of such a framework for SADC foreign policy making, implementation and overall development of the region and Africa generally?

I.7 RESEARCH HYPOTHESIS

At the commencement of the study, it was assumed that economic relations between China and Southern African states will undermine SADC integration as currently constituted. The research findings have validated the hypothesis. Currently, the Sino-SADC states economic relations are very detrimental to SADC integration. The nature of the economic relationship implies that while SADC states export mainly primary products to China, they in turn import finished products from China. The trade pattern has created huge trade deficits for the non-mineral endowed states of the region, and generally hampered the growth of industrial manufacturing in the region. The high technological advancement of China and its cheap labour have given Beijing advantage to the detriment of SADC local manufacturing sector. The low level of industrial production in the region has nonetheless hindered intra-regional trade and other forms of cross-border cooperation in the region. Intra-trade is a driving factor for functional integration, and where it is low or non-existing due to the same comparative advantage, it adversely affects the integration agenda of such region. Consequently, most SADC member states have same comparative advantage of production rooted in agricultural production and mineral extraction, and very low industrial production output.

Though there are other factors that have contributed to the low industrial production in the SADC region, the influx of affordable and sometimes sub-standard industrial products from China has worsened the situation faced by the local manufacturers, deteriorating the unemployment condition of the region and its resultant mass emigration to states with higher industrial production output in the region. In this regard, South Africa has been at the receiving end of mass emigration from other states of the region. The situation has contributed to the recurring cases of xenophobia witnessed in the country, as the migrants compete with South

African citizens for economic opportunities. In all, the present Sino-SADC economic relations undermine SADC integration as it has contributed to low industrial production and its resultant effects.

1.8 SIGNIFICANCE OF THE STUDY

The significance of the study derives from the insight it provides on the topical issues that underpin China's economic policy in Southern Africa and provided analytical framework for understanding the nature and influence of economic relations between China and SADC states on intra-regional cooperation and integration within the SADC region. This study will also contribute towards understanding the effects of inter-regional economic relations on regional integration within the broader concepts of regionalism and inter-regionalism.

1.9 SCOPES OF THE STUDY

The scope of this study covers the period from 1992 to 2013. There are ample instances of Chinese economic relations with states of Southern Africa dating back several years; however, SADC as a regional community was established on August 17, 1992. Thus, the study of China's economic policy with SADC was limited to period 1992–2013. Limiting the study to 2013 ensured that accurate and fully computed source materials, including major economic and fiscal policies of the two interacting blocs prior to the commencement of the study, were adequately utilized. The study covered economic relations between China and Southern African states, and those among SADC states. Notwithstanding, occasional deviations were made and only served comparative and analytical purposes.

1.10 RESEARCH METHODOLOGY

Research Design:

This study was conducted using a multi-pronged qualitative approach. Data collection and analysis that required the application of qualitative approach with flexibility to accommodate quantitative statistical data were employed. The study involved the use of structured interview in its data collection and the inputs of respondents with grounded knowledge of the issues at stake were sought. This is instrumental in achieving greater response rate. Meanwhile, the need for greater response rate was equally balanced with the professional and ethical requirements that protect the rights of the interviewees. The objective was to conduct a verification of the research hypothesis with the aim of applying it in developing a grounded theory for the study.

Grounded theory is the discovery of theory from data. In discovering theory, one generates conceptual categories or their properties from evidence, and then the evidence from which the categories emerged is used to illustrate the concept. Generating grounded theory is a way of arriving at theory suited to its supposed uses. The theory is expected to have the capacity to: 1) enable prediction and explanation of the behaviour, 2) enhance theoretical advance, 3) be used in practical applications, 4) provide perspective on the behaviour; and 5) provide guide and style for research on the behaviour. Grounded theory can help to forestall opportunistic use of theories that have dubious fit and working capacity (Glaser & Strauss, 1967)

Grounded theory provides a viable means for scholars and participants to engage a new and raw perspective, and to generate theory that is grounded in the realities of the participants' daily life experience. A key feature of grounded theory is: it provides for inductive enquiry, a means of generating a new theory and understanding, and requires researchers to identify the research problem from the research participants' perspectives. By contrast, traditional research provides

for deductive enquiry, a means of proving or disproving existing theory and requires researchers to identify the research problem from the extant literature (Elliot & Higgins, 2012)

Grounded theory method seeks to develop a broad explanation for process, interaction, or actions among individuals in a theoretical form. In grounded theory, researchers primarily collect interview data, make multiple visits to the field, develop and interrelate categories of information, write theoretical propositions or hypotheses, or present visual picture of the theory (Miller & Salkind, 2002).

Accordingly, David and Sutton (2011) explained that the grounded theory implies that “an idea is located in a context or has emerged from the active engagement with the real world of empirical enquiry” They contend that it is framed to restrict the researcher from interfering with the emergence of reality in social research. It involves the interlinking of the process of building a theory and data collection from the start to the finish. It shapes the data collection process, and as it may not completely define how the process of data collection and the research theoretical lead get started, it guides against the pre-emptive formulation of research shape and theory development. It is an approach that strikes to refocus social research on the path of identifying the realities from the available facts. Basically, grounded theory engages in three critical approaches in research study. It involves constant comparison of data analysis from the onset of data collection in the form of comparison of units of data, and between data and provisional explanations. It builds on that, with theoretical sampling, by continuing to test the emergent theory with subsequent data collected. The process of comparing and testing of the emergent theory will continue till such a stage when the data collected no longer pose serious challenges to the explanatory properties of the emergent theory, and can be regarded as the saturation stage.

Thus, in line with Strauss and Corbin (1998), theorizing is an undertaking that builds explanations that hold together the various concepts through statements of relationships from

data. It does not only provide understanding, but also explains and predicts events, thereby providing guides to action. The study aims to test the research hypothesis which holds that as presently constituted, economic relations between China and Southern African states will undermine SADC integration. It will involve the testing and comparison of the hypothesis from the onset of the data collection with all available data and emergent ideas until the findings of all the data collected overwhelmingly align with the explanatory details of the theory so compared and tested. The discovered theory will be employed in developing a working framework for the study.

Data Collection:

The targeted population in this research was Southern African states and China and the major focus was on the integration among SADC states. SADC is a sub-regional organisation of 15 member states with combined population of over 277 million (SADC, 2012). China is the World's most populous country with over 1.3 billion people (United Nations, 2011). For effective and manageable conduct of the study, the population has been grouped into four sample units.

Purposive sampling method was applied. Purposive sampling is a form of sampling technique that involves the selection of the sample units and population size by the researcher based on their opinion on the suitability of the units/respondents to their research objectives (David & Sutton, 2011). It is a non-probability sampling technique that has the goal of focusing on the particular characteristic of the population that has the researcher's study interest and involves the conduct of inquiry into specific topical issues rather than generalised analysis. While the population unit may not represent the entire variables of the population, it covers certain areas that the researcher considers pertinent to the study (Laerd, 2012). By applying purposive sampling, the focus is more on testing theory by deduction, and therefore, involves the selection

of respondents/case studies that will enhance the knowledge the researcher seeks. Hence, when conducting policy analysis, the positions/opinions of such stakeholders like policy formulators and administrators that have direct or indirect bearing on the policy processes are very vital components of the study (Palys, 2010). While the researcher’s bias determines the selection of population units and respondents, purposive sampling can deliver a reliable and vital data as it deals with units and respondents that are grounded on the specific issues of the study. This creates opportunities for the realization of in-depth propositions as the selection of units and respondents depends on the research question and objectives (Tongco, 2008).

This study relied on the inputs and opinions of informed units and respondents, which were utilized as the study dealt with critical issues that required only the contribution of specialised and informed population and informants. As a result, the process of data collection involved interviews from the sample units of the population, as summarized in Table 1.1.

Table 1.1: Glance of Data Collection

Respondent Group	Proposed No. of Respondents	No. of Respondents interviewed	No. of Physical Interviews	No. of non-physical interviews
Governmental and intergovernmental Agencies:	4	8	6	2
Academic Community or Research Institutes:	20	16	10	6
Labour organisation, Business community and individuals	20	15	15	0
Media organisations:	6	1	1	0
Total	50	40	32	8

Thus, the study utilized flexible qualitative approach in data collection. It involved the use of qualitative method that accommodated quantitative components like statistical data. This was useful in overcoming the limitations of rigid qualitative mono-method research. Primary and secondary source materials like policy documents and statistical data were used to provide insight into some government and inter-governmental positions on some critical issues of the study and to aid the research findings. The process involved the request for such data from their custodians, and interviews were conducted through the use of open-ended questionnaires that allowed the research participants the unrestricted opportunities to elaborately discuss and analyse the contents. It also enabled respondents to make use of their own words in answering the questions, as well as creating the opportunity for some respondents to raise issues that the researcher had not considered previously. Meanwhile, pre-coded research themes were drawn before data collection commenced. This invariably was useful in easy classification of data into categories, making data analysis less cumbersome.

Data Analysis:

In view of the aims and objectives of the research, the study was conducted to achieve a confirmatory inquiry into the validity and operational scope of the research hypothesis. The data collected originated from the answers given by the respondents in both the questionnaires and the interviews, and was guided by the research questions and the objectives of the study. This was aimed at using the tested hypothesis to construct a working theory for the study. To achieve this, the study conducted a thematic analysis of data collected in order to determine the relationship between variables and where necessary, data were also compared with existing literatures on the theme. The method greatly enhanced the coherency and acceptability of data as frequencies and percentages of response on issues helped in determining the relationships and differences between opinions; and were applied to arrive at research findings, and ensured its objectivity by reducing bias that the views of some respondents tended to present.

1.11 LIMITATIONS OF THE STUDY

In the course of conducting this study, certain challenges were encountered. It ranged from inadequate funding to facilitate a physical meeting with all the proposed respondents and the delays by some respondents in giving interview appointments. Since these constraints were envisaged before the study got to data collection stage, pragmatic steps were taken to salvage some of the challenges. Physical interviews were complemented with online interviews. This involved sending the interview questions/questionnaires to the participants through emails and posts. Telephone calls were equally made to confirm the position of respondents on certain issues that seemed confusing from their online responses. The approach greatly assisted in ameliorating the challenges faced, but the limitation remained that not all the proposed respondents were available for interviews despite the alternative methods applied.

1.12 ETHICAL CONSIDERATION

With the objective of identifying ways in which inter-regional economic relation has strengthened or hampered SADC integration, the study on China's economic policy and its influence on the Southern African Development Community integration is aimed at investigating the prospects and challenges the impacts of the relationship pose on SADC. Thus, the study sourced the views of specialists and informed minds on topical issues of the subject in the form of interviews. Information gathered in this regard are only for the purpose of this research and will as well be used for academic purposes in the form of publications. At all times, the views, socio-political and religious leanings of the respondents were respected. Access to information, whether confidential or not was by the freewill of the respondents. At no point were respondents required to commit acts which might diminish self-respect or cause them to experience shame, embarrassment or regrets. The process of data collection did not involve any act of deception or the use of questions or any other method that exposed the respondents to unpleasant or harmful

side effects. The autonomy of the respondents was protected through the use of informed consent form. The form contained the nature and purpose of the research, the identity of the researcher and the supervisor; and their contact details. It stated clearly that participation is voluntary and that the responses of the respondents would be treated in a confidential manner. Also, anonymity was ensured through the use of coded/disguised names of respondents/institutions. The consent form equally stated the fact that respondents were free to withdraw from the research at any time without any negative or undesirable consequences to themselves.

All data collected were accessible only to the researcher and the supervisor. Electronic data were stored on the researcher's computer and external hard drive, and was password-protected. All hard copy data were secured under lock and key and only accessible to the researcher and the supervisor. Data will be stored for a period of five years and thereafter will be disposed by shredding.

1.13 STRUCTURE OF THE THESIS

Table 1.2 captures in concise form, the details of the thesis structure. The details include the chapter titles, descriptions and their objectives. The thesis is structured into six chapters.

Table1.2 Structure of the Thesis

Chapter of thesis	Brief description of Content
Chapter One	Introduction: The chapter introduces the topic, background to the study, problem statement, rationale, aims and objectives, significance of the study, research hypothesis, research questions; scope and limitation, methodology and ethical consideration.
Chapter Two	Literature Review and Theoretical Framework: The chapter reviews the literature on the relevance of integration as development strategy. It also analyzes the basic theories upon which the study is built. These include: regionalism and inter-regionalism.
Chapter Three	Historical Origin and Evolution of SADC: The chapter traces the historic evolution of SADC as a regional multi-purpose supra-national organisation, highlighting the metamorphosis from Frontline States to SADCC, and to SADC.
Chapter Four	SADC Intra-regional Cooperation and Integration: The chapter centres on SADC intra-regional cooperation and integration especially on the areas of intra-regional trade, FDI flows; and equally discussed achievements and challenges faced by the institution.
Chapter Five	Sino-SADC Economic Policy: The chapter critically examines the nature of Sino-SADC economic policy, highlighting the individual member state economic relations with China and their impacts on the inter-regional economic interaction between China and SADC; the role of inter-regionalism and their consequences on SADC intra-regional cooperation and integration.

Chapter Six

Conclusion and Recommendation:

This chapter comprises the summary of the research findings, conclusion and recommendations for implementation and identification of areas for further research.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

This section deals with the review of related literature on the topical issues of the study and analyses of the theoretical framework employed for the research. The review of the literature is very useful in identifying the gap in the subject of the study, while the research is geared towards utilizing its findings to develop a grounded theory for the study. The theoretical framework adopted is essential in providing an analytical guide to the assessment of data collected for the study.

2.1 LITERATURE REVIEW:

This preliminary literature review will focus on three broad issues; namely, regional integration as a development strategy, the Southern African Development Community (SADC) and integration in the sub-region, and China's economic diplomacy with SADC states.

2.1.1 Regional Integration as a Development Strategy

Integration is a relationship among units in which they are mutually interdependent and jointly produce system properties which they separately lack. Integration is also used to describe the integrative process by which such a relationship or state affairs among formerly separate units is attained (Deutsch, 1968). It is a process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities towards a new centre whose institution possesses or demands jurisdiction over the pre-existing national state (Haas, 1958). Making reference to European Coal and Steel Community, Haas (1958) opined that the decision to hold or oppose integration stems from the expectation of gain or loss held by the integrating units.

The organizational, conceptual and methodological issues that arise in the process of constructing System of Indicators of Regional Integration (SIRI) are often applied in determining the impacts of regional integration, Lombarde and Langenhove (2006) defined Regional Integration as a process of complex social transformation characterized by intensification of relations between independent sovereign states that creates a new form of organization, co-existing with traditional forms of state-led governance at national levels. It refers to a process of large-scale territorial differentiation characterized by the progressive lowering of internal boundaries and the possible rising of new external boundaries.

Political integration is a process that may lead to a condition in which a group of a people has attained within a territory a sense of community and institutions and practices strong enough to assume for a long time dependable expectation of peaceful change among its population (Deutsch, 1957).

Deutsch (1957) identified amalgamated and pluralistic communities as two categories of political unions. He defined amalgamated community as the one formed by previously independent political units with common government, while pluralistic community is the type that separates governments retain their legal independence while participating in the new supra-national body. Deutsch (1957) further identified the following conditions as necessary for the creation of the two communities.

Amalgamated Political Union:

Mutual compatibility of major values.

A distinctive way of life.

Expectation of rewards.

Increase in political administrative capabilities of at least some participating units.

Superior economic growth on the part of some participating units.

Unbroken link in social communication.

A broadening of the political elite.

Mobility of persons.

Multiplicity of communication and transaction.

Pluralistic Political Union:

Compatibility of values among decision-makers.

Mutual predictability of behaviour among decision-makers.

Mutual responsiveness.

Writing on the criteria for measuring integration, Etzioni (1965) asserted that the possession of effective control of means of violence by a political unit is a veritable instrument that can define the level of integration a supra-national body has attained. He argued that such a community would have a centre of decision-making that allocates resources and rewards, and forms the dominant focus of political identification for larger majority.

Analysing the essence of developing regional organizations, Deutsch (1968) believed that experience in creating or developing such regional and/or functional association is a hope that it would teach governments and people to appreciate the benefits of international integration and develop integrative political habits and skills necessary to practise it successfully on a larger scale and for a broader range of tasks.

According to Deutsch (1968), the main tasks of integration are for maintenance of peace, attainment of greater multipurpose capabilities, accomplishment of some specific tasks, and

gaining a new self-image and identity. He argued that maintenance of peace could be measured by absence or paucity of preparation for war in the form of troop's deployment, weapons and military installation and diplomatic records among the political units, regions and population within it. The multipurpose capabilities could be assessed by the GDP per capita and scope and diversity of its undertaking among the integrating units. Also, accomplishment of some specific task could be evaluated by measuring the existence of growth of appropriate joint functions, while new self-image and identity would be assessed by the frequency of use of common symbols, and the creation and wide adoption of new ones (Deutsch,1968). This mirrors well SADC region's notion of not supporting political formation(s) that want to overthrow government by force. This largely explains the absence of coups in the region as well as failure of socio-economic deteriorating conditions' to trigger armed conflicts.

Assessing the cost and benefits of regionalism for developing countries, Winters (2001) opined that regional integration is a complex concept that is very difficult to be apportioned a single definition. In his analysis of Regional Integration Arrangements (RIA), Winters (2001) proposed that while it might not be argued that regional integration is desirable per se, the desirable focus lies rather on integration pursued and fostered by discriminatory policy interventions. From his assessment of static and dynamic effects of trade creation and diversion, security of access, convergence and spillovers, accumulations, credibility, location and politics factors, Winters (2001) contended that regionalism could be harmful in terms of arresting progress towards multilateral outcomes and entails a potential of downsize risk. Winters (2001) suggested that there should be a careful conduct of trade creation and diversion, which should involve spelling out the intended benefits and their channels of causation.

The above analyses indicate that mutual values among the integrating units and expectation of rewards are major factors necessary in integrating processes. These relate strongly with what Ernst Haas called spill-over, and which Karl Deutsch identified as doctrine of ramification. They

are concepts that explain the tendency for persons/political units that had experienced gains from a supra-national institution in one sector to favour integration in other sectors (Dougherty & Pfaltzgraff, 1990).

Thus, while scholars like Winters (2001) view integration as having the potential to restrict the progress of some of the integrating units in the form of downsizing, the general analyses have given insight into the concept as a process by which discriminations existing along national borders are progressively removed between two or more countries through gradual reduction and giving up of some rights from separate units to a new institution that demands these rights and loyalties for the mutual benefits of the cooperating units. Thus, the cooperation can be in the form of socio-economic or political aspects. Equally, for successful integration, among several factors, there must be shared values and joint expectations of rewards and sanctions. This will encourage the surrendering of national rights to new supra-national institutions. This may involve initial cooperation in non-political sectors which success will spillover to other sectors. With the emergence of the new institution, actors are expected or restricted from making use of force as a bargaining tool, while an improved welfare of the population is expected in addition to the establishment or gradual enthronement of common symbol of identity.

From the analysis of Deutsch (1957), SADC falls into the category of pluralistic political union. Consequently, the principles of integration as a development strategy as reviewed above will be applied in assessing the prospects and constraints of SADC.

2.1.2 SADC Integration in Southern Africa

Integration measures in Southern African sub-region have attracted several commentaries from scholars and social critics. The measures cut across various issues relating to monetary union, intra-regional trade integration, and external trade.

Analysing the challenges facing trade in service and regional integration in sub-Saharan Africa (SSA), Gitonga (2012) emphasised that SADC just like most Regional Economic Communities in Africa is bedevilled by lack of political will and other bottlenecks in the implementation of its protocols and agreements. Gitonga (2012) highlighted that such bottlenecks like lack of sufficient funding for negotiation activities, weak coordination and prevalent overlapping membership to different RECs by member states of the community, and the deficiency of political will resulting from uncertainty created by fear over the effects of the already agreed protocols have created a situation whereby SADC states are reluctant to ratify protocols, and when they are ratified, they take little interest in their implementation. The situation has made several of the agreements moribund, forestalling the region from reaping the dividends they are meant to yield. Also, Gitonga (2012) asserted that lack of political will and uncertainty of the effects of regional policies have given impetus to lacklustre attitude in the completion of negotiations on Economic Partnership Agreement (EPA) between SADC and EU resulting from the fear member states hold on the likely impacts of the agreements on their national interests through the already functioning SADC FTA. In this sense, it is evident that as negotiation with EU influenced the direction and implementation of the policies of SADC, so also do similar RECs like SACU, COMESA and EAC affect the regional agenda of SADC.

Examining the effects of Angolan reluctance in joining SADC FTA on the overall integration of Southern Africa, Redvers (2013) revealed that part of the cost of the Angolan long civil war that destroyed the infrastructural facilities in the country is that it impeded its capacity for industrial manufacturing, and created a situation whereby it fears that joining SADC FTA would further undermine its manufacturing output as it would open its borders to the inflow of goods and services from other SADC states. However, with its insistence on joining the FTA only when it is ready and its preference for importation from countries outside the region at higher cost, Redvers (2013) argued that it does not only create obstacle to the smooth implementation of the

SADC milestone integration agenda. She also stressed that it constituted future challenges to Angola, as the flooding of its market with high cost products from outside the region could not only weaken its capacity to reduce high cost of living and its dependency on oil revenue, but also implied that it might have difficulty in exporting its own products to the region when it eventually increases its manufacturing base. The net implication of the policy choice Redvers (2013) contended is the laying of a landmine that presents serious obstacles that do not only obstruct the present regional integration efforts, but have the potentials of eroding those efforts in the future.

In his assessment of the state of integration and development in SADC region, Prega Ramsamy, the former Executive Secretary of SADC in an interview with *The Courier* (2003), stressed that the economies of the region were initially built on import-substitution, while high tariff was utilized to protect the local industries against international competition. He further asserted that as the 1990s witnessed the adoption of trade liberalisation, the local industries which were mostly owned by governments and sustained by government subsidies quickly collapsed as there were no innovation and improvement for competitiveness before the exposure to external competition. Also, that privately owned industries were not spared as well, as the state control of financial sector and the lack of proper organisation of the sector had prevented them from accessing funds. Equally, he emphasized that non-judicious deployment of resources to the industries by the governments contributed in worsening the situation. Ramsamy (2003) asserted that one of the devastating consequences of the collapse of the industries was the loss of jobs, as reduction in the number of locally owned industries continued to rise. He acknowledged that the lack of strong manufacturing base is an impediment to trade liberalisation in the region. He also identified deficiency in saving, resulting from high inflation in some states of the region, as being responsible for lack of domestic investment vis-à-vis cross-border investment in the region. He contended that the size of individual markets is liable for the volume and type of FDI

inflow into the country, necessitating the essence of the integrated SADC regional market as the individual markets of most states in the region is quite small. He argued that integrated regional market would create opportunities for cross-border investment and promotion of peace and stability in the region. He further stressed that apart from good economic governance, political stability which emanates from rule of law, sound democratic system and independent judiciary are very essential ingredients for regional integration.

Appraising the challenges of regional transport and their implications for SADC economic integration and development, Mutambara (2009) emphasised that as Southern Africa intensifies its efforts at deepening regional integration and development, the importance of regional transportation and communication network becomes very instructive. Accordingly, Mutambara (2009) contended that tackling the challenges posed by transportation and communication needs and necessity would harness the potentials of the sector that have propelled the regional leaders to consider and adopt regional frameworks charged with those functions. Mutambara (2009) maintained that SADC protocols on transport, communication and meteorology that were signed, which came into effect in 1996 and 1998, respectively, have the mandates to provide efficient, cost effective and to fully integrate infrastructures that meet the needs of the region. Also, that the policy framework was adopted in recognition of the state of transportation and communication needs of the region, especially of the landlocked SADC member states that depend on the use of the facilities of the neighbouring states for their movement of goods and products. Mutambara (2009) revealed that despite the importance attached to the transport and communication infrastructures in the region, some of them that are essential for both national and regional utilization are not reliable as large portions of them are in deplorable conditions owing to limited state's financial capacity at improving the states of the infrastructures like roads and railways.

The effects of the long years of civil wars in some states of the region did not help matters, as they did not provide the governments the focus for infrastructure rehabilitation, even as hitherto available infrastructures were destroyed by the wars. Mutambara (2009) further explained that as the deplorable state of transport and communication infrastructures posed challenges in the region, the existing ones lacked harmonized user policies, resulting in delays in the cross-border movement of goods and persons. Also, as the national and regional efforts were applied to address some of the challenges, especially in the roads and railway sectors, development policies like Private Participation in Infrastructure (PPI), and Public-Private Partnerships (PPPs) became involved. However, Mutambara (2009) argued that the application of PPI and PPPs has been confronted by a number of negative factors, some of which are:

- Lack of political will to drive the implementation of both national and regional frameworks aimed at improving the states of transportation and communication facilities, and easing their accessibility for regional utility.
- Deficiency of skills at government agencies and departments that are required to champion the partnership between government and public sectors in the provision of the needed infrastructures.
- Absence of confidence of the private sectors in the experience of governments regarding private investment in PPPs infrastructure building.
- Weak and ineffective legal and regulatory framework to drive and protect the interests of private investors in PPPs ventures.

- Un-reliability of government funding in the PPPs resulting from national budgeting and competition for capital deployment.
- Cases of government and political interference in PPPs.
- Political uncertainty that hampers cross-border investment in infrastructure development, as investors must be sure of the safety of their investment before deploying their capital.

Assessing the problems and prospects of SADC regional integration agenda, Saurombe (2009) emphasised that the regional efforts at pursuing integration through trade liberalisation is very commendable, but that certain fundamental issues need to be addressed for the success of the regional target goals. In this regard, he argued that the transformation of the regional institution from a cooperation of loose association towards a legally enshrined body charged with integration did not take into account necessary frameworks suitable for a wholesome regional integration. He stressed that the metamorphoses of the regional body from cooperation oriented association to functional integration institution should have been accompanied by such frameworks that would create basis vital for effective response to internal and global challenges associated with competition arising from an enlarged regional market. The situation, he contended, is responsible for the lack of rule-based mechanism driving the integration efforts while persuasion for states' cooperation that are often jettisoned by member states as a result of their un-willingness to surrender national sovereignty looms large. As a result, member states of the regional organization even on the face of existing regional arrangements conspicuously pursue policies they consider beneficial to their national interest even if they impede the progress of the regional integration objectives. Saurombe (2009) argued that the manifestation of such intentional disloyalty to regional protocol or lack of zeal to effectively implement regional agenda is the lingering dispute over tariff and non-tariff barriers, and the overlapping of

membership to various RECs by member states. These have hindered the region from reaping the full benefits of liberalised regional market, and putting doubt on the effectiveness or even the workability of the SADC milestones of regional integration. Also, that the two impediments are closely related in their devastating consequences to the regional agenda as they emanate from states' pursuit of national interest oriented policies at the detriment of collective regional agenda. Accordingly, Saurombe (2009) attributed this challenge to lack of adequate internalisation of the regional integration objectives at the various national levels. He further argued that the situation is so ravaging that regional economic integrating issues are lacking in national policy framework of some of the member states while few of the national parliaments in the region have strong portfolio on regional integration. He therefore cautioned that the continued disregard of the importance of pulling resources together with strong political backing would continue to disadvantage the region as the effects of external influences might deprive the region the desired gains that accrue from formidable regional integration.

On the other hand, while stressing the importance of functional Small, Micro and Medium Enterprises (SMMEs) to SADC integration agenda, Kelosiwang (2011) emphasised that drive for effective regional integration has spurred the regional players to adopt several measures of which the establishment FTA is very prominent and aims at deepening regional integration through intra-regional trade and economic development. Having noted the advantages and disadvantages that come with regional integration drive on the SADC member states and on the region as well, ranging from necessity for improved production, solidarity and access to larger market to the fear of real or perceived lose of national privileges attached to national sovereignty, Kelosiwang (2011) asserted that the participation of SMMEs is a necessary factor to sustainable regional integration agenda, and is very vital for the creation of wealth in the region. However, Kelosiwang (2011) observed that the importance of SMMEs to SADC integration may not be feasible unless the majority of the economically active populations of the

region are engaged in sustainable economic activities. To make this possible, Kelosiwang (2011) contended that there should be both national and regional efforts at structuring SMME development and the attendant frameworks that ensure that regional efforts result in legal harmonization of policies and regulations that guide and drive SMME development in the region. Also, that at the national level, the development of SMMEs should be the top priority of the governments, implying that agencies charged with SMMEs development should be created, while regional efforts should include encouragement of the establishment of national SMMEs desk offices and ensuring their collaboration in SMMEs promotion and development in the region. In addition, Kelosiwang (2011) proposed that there should be a regional agency that would be charged with the development, enhancement and integration of SMMEs in the region by engaging in cross-border interaction on SMMEs opportunities, skills; building of individual and national capacities and promotion of business linkages and joint ventures among SMMEs in the region.

In assessing the prospect of amalgamating SADC and SACU, Mapuva (2013) opined that notwithstanding that combining the two institutions would present advantages and disadvantages, the recognition of similarity in the geo-political environment of which two operate, and the commonality in the wider objectives of the institutions among other benefits call for the consolidation of the two bodies. Mapuva (2013) argued that the merger would not only be useful in solving the constraints generated by over lapping of REC membership in the region, but as well, would ensure that a comprehensive regional grouping that do not only oversee the implementation of a Custom Union policies, but would equally serve socio-political utility by focusing on socio-economic and political trends in the regions. Mapuva (2013) further stressed that collapsing the two institutions would ensure timely response of the region to policy implementation that is presently confronted by bureaucratic bottlenecks emanating from the overlapping of functions. Mapuva (2013) also asserted that the merging of the of the two

institutions would position the region to better handle external relations which in some cases divides the regional position and weakens its bargaining power in negotiation. Making reference to the recently concluded Economic Partnership Agreement (EPA) between SADC and EU, Mapuva (2013) contended that the outcome of the negotiation in which SACU members of SADC and Mozambique entered into an EPA with EU would greatly impede the SADC integration agenda, as a seed of division had been sown in the region; suggesting that since SADC aims at regional Custom Union, it would have been more meaningful if the EPA was entered between the entire SADC and EU.

In appraising the suitability of monetary union in SADC, real exchange rate (RER) variation between South Africa and most of the SADC members have been pointed out as a major constraint. Using Generalised Auto-Regressive Condition Heteroscedasticity (GARCH) model and with reference to real exchange disturbances from 1980 to 1996, Khamfula and Huizinga (2004) argued that monetary union would be more suitable between South Africa, Botswana, Lesotho, Malawi, Mauritius, Namibia, Swaziland and Zimbabwe, while substantial reduction of RER variability is required between these countries and Tanzania, and Zambia. To achieve that, those countries could choose to fix their currencies to the Rand at predetermined rates. They concluded that: 1) coordinated monetary and fiscal policies other than common monetary policies alone among potential members would guarantee relatively low degrees of RER variability in SADC; 2) SADC as a whole should not start a monetary union, at least not in the near future, since the countries are simply too different to form an optimal currency area, arguing that the costs of such a union appear to be much higher than the benefits; 3) SADC should focus more on the reduction of trade barriers and push for increased economic cooperation like strengthening the Free Trade Area created among SADC economies and other economic blocs like the European Union through the dominant economy, South Africa.

Also, non-tariff barriers have been identified as a primary obstacle to intra-regional trade in Southern Africa. Appraising regional integration in the region, Nyirabu (2004) posited that issues relating to non-tariff barriers like the need to involve compensatory mechanisms to cater for least developed states in regional arrangements are very crucial for integration in Southern Africa. Equally, Nyirabu (2004) submitted that various economic communities in the region should avoid duplication, and argued that political will is very important in the implementation of all agreements.

Furthermore, the non-existence of comparative advantage, and low level of diversification have been identified as constraints to regional trade integration in Southern Africa. Chauvin and Gaulier (2002) believed that the situation is the outcome of inadequate manufacturing sector in the sub-region and the supply of homogenous primary products for export. The combination of these factors with poor transport infrastructure network have impeded intra-trade cooperation in the sub-region. They submitted that increased intra-sub-regional trade among SADC countries would imply either the opening of the South African market, a changing of specialisation of SADC countries, or the reduction of protection on sensitive goods. The net result would be that South Africa would concentrate on the production of high quality products and import middle and low range quality products from other SADC members.

Structural imbalance has been identified as a characteristic of the current intra-regional and external trade in the sub-region and, therefore, is unsustainable. The driving factors for such trade patterns according to Mayer and Thomas (1997) are the production structures of the constituent economies and their trade policies in relation to multi-lateral agencies and various regional bodies. They posited that external trade should not rely solely on trade protocols, but that extra measures like improving on the existing linkages are necessary for equitable trade benefits in the Community and would precipitate economic development.

This study aligns with Khamfula and Huizinga (2004) positions that SADC should concentrate more on building its intra-regional cooperation through the reduction of trade barriers, and be very cautious with establishing a common currency union. The essence of compensatory mechanisms to cater for least developed states in regional arrangements and the importance of political will in driving SADC integrative mechanism as argued by Nyirabu (2004) is equalled supported by this study. The study believes also that inadequate manufacturing sector and the supply of homogenous primary products for export as explained by Chauvin and Gaulier (2002) is a major constraint bedevilling intra-regional trade within SADC. Mayer and Thomas (1997) are of the opinion that structural imbalance that has characterised the current intra-regional and external trade in the sub-region is unsustainable and that extra measures like improving the existing linkages are necessary for equitable trade benefits in the community is no doubt supported by this study.

The general opinion here is that SADC has not done much in its integrative drive. However, none of the literatures identified inter-regional cooperation as a factor that might have contributed to either the success or constraints of SADC. It is on this note that China's economic policy with SADC will be critically evaluated. The choice of China in this exploratory inquiry is based on the fact that it is the single largest trading partner of the sub-region.

2.1.3 China's Economic and Political Engagements in SADC Region

China's economic policy with African states has attracted varied opinions from scholars and analysts. Notwithstanding, these analyses are focused on African general issues and individual state assessments, with little attention to the sub-regional trend. Despite this, certain patterns and characteristics of the policy are discernible. Thus, this literature survey will focus on the common factors identified in the policy, which would be used for analytical purposes to represent the sub-regional engagement.

The analysis of the Sino-African economic relation in an article on the 23 March 2013 in *The Economist* (2013) emphasized that China is Africa's top business partner with trade of over \$166 billion. It contended that though almost 80% of Chinese imports from Africa are mineral products, Sino-African link has widened in recent times and its diversity cuts across myriad of sectors ranging from mineral resources to businesses in non-resource sectors. It outlined that Chinese export to Africa include transportation, machinery, electrical goods, textile, plastic and rubber, and chemicals. In addition, Chinese private-equity funds are also destined for Africa. Notwithstanding the huge trading volume and Chinese presence in the continent, it argued that Africans are far from being puppets to the Chinese as African governments have exhibited some degrees of assertiveness. Such incidences like the South Sudan's expulsion of Liu Yingcai, the local leader of a Chinese-Malaysian oil company (Petrodar) in connection with oil theft, the Congolese expulsion of two rogue Chinese commodity traders in the Kivu region, the banning of two Chinese firms from participating in public tender over corruption allegation by the Algerian government, and the campaign by some conservationists in the continent asking for end to China's trade in ivory and rhino horn; and some of the rules in various African countries that restrict the participation of China in some industrial sectors are evidence that Sino-African relationship accommodates mutual respect. On a political sphere, while Chinese policy does not interfere with internal affairs of African states, it has gradually accommodated opposition voices in the continent. Also, the peace-keeping operations of the Chinese in the continent are quite remarkable; hence, erstwhile suspicion that marred Chinese image in the continent is changing. It concluded that continued critiques of Chinese policies in the continent emanate from the largest African economies that see China as a competitor.

Writing on the impacts of China's new approach to Sino-African economic relations, the Asian Economic Institute (2014) emphasised that China's investment in resources-endowed African states has increased mainly as a result of its growing demand for energy and natural resources.

China's engagement in Africa has attracted varying opinions because of its massive infrastructural assistance and non-political conditionality to loans. In this regards, China has been accused of employing its soft loans and infrastructural aids in destabilizing the local economies and at the same time encouraging mismanagement by the African leaders, and overlooking human right abuses. Nonetheless, it argued that recent Chinese engagements show a remarkable new approach which provides for mutual benefits for China and its African partners. For instance, the 2007 mining deal between China and DRC provides for mutual gains for both parties. It emphasizes that while the deal granted China the right to extract over 10million tons of copper and 400,000 tons of Cobalt over a period of 15 years, with an estimated profit of \$42 billion; it equally entails that China will provide for the DRC, US\$9 billion investment loan for road and railway construction, and health and educational facilities within 36 months. In addition, the deal provided for Chinese transfer of technology to DRC and environmental protection. Under corporate responsibility, the mining companies would be restricted to employing one Chinese against five Congolese; and also the provision of extensive training for the local employees. Notwithstanding the high profit margin the Chinese is expected to rake from the deal, and the implication that the deal might disqualify DRC from enjoying debt relief from IMF and World Bank, it provides DRC with the opportunities to kick-start its economic growth and reconstruction. It contends that the Sino-Congolese mining deal coupled with other Chinese engagements in the continent like Chinese funding of stadium in Zambia, building of hydroelectric dam in Ghana, its assistance in launching Nigerian satellite to space and the creation of cell phone network in Ethiopia; and developmental projects undertaken by the Chinese Export and Import Bank in the continent are evidences of Chinese modified relationship approach with Africa states that will no doubt boost local African economies.

Writing on China-Africa trade patterns, Eisenman (2012) argued that the current trade relation between China and African states is a product of Chinese domestic policies aimed at securing

markets for Chinese products and the sources of its needed natural resources; and is mainly championed by Chinese state run companies. He identified five factors as the determinants of the trade pattern:

1. Comparative advantage in labour-intensive and capital intensive production.
2. Africa's abundant natural resources endowments.
3. China's rapid economic growth.
4. China's emphasis on infrastructural building at home and in Africa.
5. The emergence of economies of scale in China shipping and light manufacturing sectors.

He stressed further that China does not discriminate between democracies and autocracies in its trade relations with Africa. Also, he opines that the trade pattern entails that while China imports natural resources from Africa, it equally engages in building of affordable infrastructure like road and rail networks across the continent. Equally, he highlighted that the trade balance between China and resource-endowed African states is mostly in favour of the latter, while non-resources-endowed ones record deficit with China. He contended that the trade patterns have created new anti-Chinese rhetoric in the continent. However, he believed that criticisms of the Chinese sometimes lack coherent or predictable consequences and could be attributed to lack of awareness by ordinary Africans, and as a formidable political tool ambitious politicians cultivate to mobilize people's support for their personal gains.

Exploring the determinants of China-Africa trade, De Grauwe et al (2012) argued that the last two decades have witnessed a growing influence of the emerging market economies in global economic issues. Using six governance indicators (voice and accountability, political stability and absence of violence/terrorism, government effectiveness, regulatory quality, rule of law, and

control of corruption), they suspected that China has remained a leading force in African export market between 1996 and 2009, with lower governance standing when compared to other major economies. They contended that China-African trade volume rose from below 1% in 1980 to about 13% and 11% in 2009 for imports and exports, figures that are greater than African trade volumes with any single European state. They argued that the main determinant of the increase in the trade volume is the rapid growth of Chinese economy with the requirement for raw materials and market for the finished products. African potential for raw materials export and as consumers of finished products makes the continent very suitable for growing Chinese trade focus. While the Chinese benefit from the above scenario, they believe that Africa would gain from technology spillover that would emanate from the relationship.

Analysing Sino-African relations, Campbell (2008) argued that the relationship is part of China's strategy of sourcing for needed raw materials and at the same time utilizing it in challenging the US global hegemony. Campbell (2008) believed that China-African relations could be traced to the era of Han Dynasty (206BC–270AD) which increased during the Tang Dynasty (960-1279 AD). Accordingly, Campbell (2008) contended that the relationship was distinctively different from the plunder and destruction that accompanied the European activities during the period of transatlantic slave trade. Also, Campbell (2008) opined that with the decline of the US economic power, Washington increased its military expansion across the globe, reaching Russian and Chinese borders with its forward bases visible across strategic locations of the world with the intent of using them to forestall the rise of rival powers. In recognition of the US threat to Chinese growth, Beijing undertook measures for the projection of multi-polar international system with the building of alliances across the globe. The China-African relations form part of the circle which has witnessed the increase of Chinese investments in global political, military and commercial sectors with ASEAN, Latin America and Caribbean, and that Chinese diplomacy offers Africa alternative engagement in international system.

Assessing the Sino-African relations, Fijalkowski (2011) emphasised that the relationship has witnessed two Chinese policy orientations from the 20th century. That the relationship was initially based on strong ideological considerations from 1947 when the People's Republic of China was established and formed part of Beijing's world vision. That stage was dominated by Chinese anti-imperialist assistance to liberation campaigns in the continent. However, a major shift occurred in the 1990s under the Chinese leadership of Hu Jintao. Under him, China began to pursue a national security policy anchored on good neighbourliness which expanded beyond Asia. As regards Chinese engagement with Africa, Fijalkowski (2011) contended that Beijing pursues a policy of mutual benefit, and it has endeared it to Africans' political and economic leaders. In what could be termed 'soft power policy', Fijalkowski (2011) opined that Sino-African relations became known for varieties of Chinese economic assistance, debt relief to African states, expansion of market access to Chinese products and the involvement of State owned Chinese corporation in oil, gas and other natural resources exploration in the continent. These were championed under the Chinese South-South diplomacy, which emphasises solidarity and cooperation amongst the states of the southern hemisphere. Fijalkowski (2011) concluded that notwithstanding the mixed reactions that have greeted Beijing's policy in Africa, it has in no small measure broken the USA/EU monopoly of affairs in the continent.

Analysing the economic consequences of China-African relations, Asongu and Aminkeng (2013) suggested that the growth surge and increasing transparency of Chinese economy has increased its importance to Africa and the whole world. They emphasised that the growth of Sino-African trade volume rose from US\$5.5 billion in 1998 to US\$55.3 billion in 2006, and the Chinese trade deficit with Africa increased from US\$1.9 billion in 2004 to US\$2.2 billion in 2006. They argued that the growing presence of China which is evident in its aid flow and trade relations with Africa has not only strengthened South-South cooperation principle, but has equally encountered a strong debate on the benefits of the relationship on African economic

advancement. They categorised the debate into neo-colonialist, balanced development and the accommodationist schools of thought. Appraising the neo-colonialist arguments, they are of the opinion that Sino-African relations is Beijing's profit driven, especially when it gives no consideration to good governance on its infrastructural aids to Africa. Also, they described the balanced development school as those with the belief that non-attachment of political conditionality to Chinese aids to Africa cannot be ascribed to neo-colonialism, but as a balanced relation as it provides Africans with the needed credit and infrastructures for development; and at the same time, allows Africans to retain the liberty to decide their political fortunes. Equally, they described the accommodationist school as those with the opinion that Chinese economic policy in the continent is not ideologically different from the Western policies as they are all geared towards the pursuit of various national interests; and that accommodating China with their infrastructural aids allows the recipient states the opportunity to kick-start their economic growth. They concluded that while more needs to be done in the area of multilateral relations, Sino-African economic relations is quite promising. They contend that the relationship provides the continent with the opportunity for multi-polar engagements, and that if the short term benefits are adequately utilized in addressing the perceived long term concerns, it remains a good alternative to Africans.

Exploring the opportunities and challenges inherent in China's Aid policies in Africa, Samy (2010) argued that the renewed Chinese interest in the continent has elicited mixed reactions from Western analysts, African leaders and civil society groups in the continent. While it is no secret that Chinese interest in Africa is driven by its natural resources needs, Samy (2010) stressed that it has equally witnessed massive involvement of Chinese in infrastructural building, support for integrative measures in the continent, training of African professionals and notable investments on African health and educational system. Samy (2010) argued that infrastructural aid from China comes with no political conditionality and does not discriminate between

democratic and non-democratic states. Samy (2010) emphasised that non-attachment of political conditionality to the aid forms the basis of the Western criticism, as they argued that non-consideration of good governance criteria on the aid encourages corruption, human right abuses and environmental degradation in the continent. Samy (2010) contended that Western criticisms on the above spectrum lack morality as it is evident that Western donors equally have a record of giving aid to corrupt African leaders as well. Samy (2010) emphasised that while civil society groups are very cautious of the Sino-African relations, and try to analyse the relationship relatively on their merits; African leaders are very receptive of China's aid, trade and investments as they reduce the over-reliance on revenue from natural resources and at the same time reduce the continent's reliance on Western aid for developmental programmes. Samy further argued that Chinese aid to Africa may not be distinctively different from those factors (economic, political and strategic, and the recipients' needs) that govern donor interest globally. Also, Samy (2010) opined that there is no significant record where Western aid given to the continent has yielded successfully in uplifting the people's living standard, and therefore believed that easily accessed Chinese aid that provides the opportunities for African infrastructural development should be welcomed. Samy (2010) concluded that African leaders should engage the Chinese in partnerships that would put the ordinary Africans at the centre stage of their developmental engagements. This implies giving more recognition to citizens and civil society voices in decision making and policy formulation.

The current Chinese economic diplomacy with African states is taking place under China's policy of competing for global prominence through economic expansion. This is unlike the Chinese global engagements during the cold-war which were characterised by socialist visions. China's growing involvement in Africa stems from her economic need for natural resources for her industries and market for her finished products. The natural resources range from crude oil and agricultural products to various types of solid minerals like gold and diamond. To ensure the

free flow of these natural resources, China is willing to grant loans and other material assistance to African leaders without many conditions contrast to the practices by the World Bank, IMF and other Western creditors. However, the Chinese assistance comes with requirements for the involvement of Chinese technical expertise, finances and man-power in the building of the infrastructures in the African partner states. Grion (2006) further contended that another aspect of the economic partnership between China and African states is the engagement of Chinese nationals in retail businesses in the continent. The Chinese businesses deal on cheap and poor quality products and pay low wages to their workers, but tend to out-compete their Western counterparts in the sub-region. Also, with the large infusion of Chinese labour in the sub-region, the chances of engaging skilled local labour and the involvement of the locals in the infrastructural development of the sub-region is limited. Beyond those, there may be other serious and broader consequences. Accordingly, Grion (2006) believed that Chinese loans and material assistance that comes without political conditionality may undermine the commitments of the AU and NEPAD that link such assistance to good governance. Grion (2006) posited that unless necessary measures are taken to link the partnership with China to the local economies, the loans and the assistance could end up servicing Chinese labour and imports to the detriment of local production. Grion (2006) concluded that whether the involvement of Chinese finances, companies and labour pose threats or provide opportunities depends on how African leaders utilise them to serve their national interests.

Appraising the effects of Chinese commercial activities on Africa political economies, Davies (2005) argued that China has projected itself as a political and benign ally of Africa. He further argued that with economic reform in China, Beijing's policy interest and trajectory in Africa is commercially driven- more realist and not driven by idealism. Davies (2005) concluded this would not only disadvantage African businesses competing in the manufacturing sector, but also consign Africa to supplying raw materials to China as a trade partner. However, Davies (2005)

posited that the Chinese presence in Africa could challenge the influence of the West on the continent and that since China is well disposed to the internal political arrangements within African countries, its presence in the continent would continue to be enhanced.

Using a theory of power politics and historical perspective to explain the characteristics of China-Africa relations, Lumumba-Kasongo (2011) opined: “the discussion on the nature of south-south relations, especially between a newly emerging industrial country located in Asia and Africa countries, which represents the least industrialized area of the world has more recently brought the subject of un-equal balance of power between the two regions under scrutiny.” Lumumba-Kasongo (2011) contended that despite the evidence that Chinese foreign aid investments are contributing towards the building of infrastructures in many African countries, China has instinctively acted as a neo-colonialist power in Africa. Lumumba-Kasongo (2011) contended that China’s intention is to first exploit African security resources as much as possible and not necessarily to exploit the African cheap labour. Lumumba-Kasongo (2011) explained that China’s Foreign Direct Investment (FDI) in Africa is not evenly distributed, but concentrated mainly in oil and mineral rich countries. Accordingly, the Chinese infrastructure offers credit to Africa with conditions to guarantee the use of Chinese equipment and labour.

Writing on the impacts of Chinese businesses and investments on African labour movement, Jauch (2011) warned that there is a danger of African-China economic relationships following the colonial patterns of relegating Africa as a raw material supplier. Jauch (2011) argued that while the emphasis on Chinese investment in African countries may vary, there exists a general trend in investments in infrastructural projects as well as in energy and mineral sectors. Jauch claimed that some of the common practices of Chinese firms in the construction sector in the continent include unfair labour practices of low wages, poor working conditions, hostility towards trade union; violation of workers’ rights and the use of casual labour. Jauch (2011) submitted that African governments must strengthen its bargaining position and ensure local

processing instead of allowing the exports of its raw materials to continue; and that African leaders should improve their monitoring of Chinese industrial practices to ensure that investors do not divert their focus from manufacturing and that skill technology transfer takes place.

Assessing the impacts of growing relationship between China and sub-Saharan Africa, Zafar (2007) opined that the engagement of China in the continent is driven by the Chinese need of raw materials for their industries and market for their finished products. The relationship which is championed by aggressive diplomacy and cultivation of friendly ties results in the involvement of Chinese firms in extractive and energy sectors, infrastructural building, agro processing, light manufacturing, service sector, apparel and telecommunication. Provision of loans and aids to African states with no political conditionality equally forms a model of the relationship. Zafar (2007) argued that the consequences of the relationship are:

1. Increase in demand for labour and capital in the extractive sector.
2. Prices and services outside the booming extractive sector will increase, thereby putting pressure on the exchange rate and other sectors of the economy.
3. There will be increase in national income derivable from the booming sector, but the industrialization and diversification of the African economies will be hampered.
4. Prospects of Agro and non-extractive exports by the Africans will be undermined by competition from Chinese firms largely as a result of better technology and cheap labour available to the Chinese.
5. As a result of subsidy available to Chinese government owned firms that invest in Africa, as part of their long term economic policy, competitive potential of African companies will be hampered.

6. The Capital intensive investment in extractive sector will undermine local employment opportunity and long term economic development of the Africans.
7. Chinese influence on global energy market will increase the import bill of non-energy producing African states.

In exploring the key elements of Chinese interest in African oil, Taylor (2006) pointed out that with the exception of South Africa, China's main trading partners in Africa are oil producing states. Taylor (2006) argued that Chinese oil policy in Africa has two main objectives. The first is to ensure supply of oil to Chinese local demands, while the second is to give leverage to Chinese ambition of becoming a major player in the global oil market. Taylor (2006) is of the opinion that the Chinese oil policy in Africa contrasts sharply with the Western trade and aids conditionality that encourages democracy, good governance and promotion of human rights. The Chinese policy of non-interference in internal affairs of African states has endeared the Chinese to African leaders who view the West as proponents of imperialism. Beijing's policy of "no strings attached" coupled with its beliefs as a de facto leader of the developing world, who had suffered imperialism, provides the diplomatic advantage of engaging with Africans in their oil exploration sector. Thus, China uses the ideological cover of non-interference to the pursuit of its oil diplomacy in the continent. The thrust is to acquire foreign energy resources through long term contracts with its state owned oil companies like China National Petroleum Corporation (CNPC), China Petrochemical Corporation (Sinopec) and The China National Offshore Oil Corporation (CNOOC). Taylor (2006) is of the opinion that the guiding principle is to ensure that Beijing executes its long term objective of being in charge of the source of global oil resources in order to enable it manipulate future oil prices. He argued that China's non-interference policy in Africa may not be distinctively different from Western policies in their own states of influence like the USA in Saudi-Arabia. However, Taylor (2006) asserted that China's oil diplomacy in Africa has impacted the continent in the following ways:

1. It provides assistance for the development of the continent through trade and investment.
2. It has contributed to the engagement of Chinese firms in the building of affordable infrastructural projects in the continent.
3. By inflating price, Chinese oil demand has brought an increase to the National income earning of the African oil producing states.
4. It equally undermines economic diversification of African states by promoting overdependence on oil for revenue.
5. It encourages complacency on the part of African leaders and hampers sustainable development.
6. By relying on single commodity for export and revenue, the risk of experiencing negative price shock is increased.
7. By discouraging processing of the oil products in the continent, the policy contributes to African dependency issue.
8. Chinese policy of non-interference, nonetheless, has give room for mismanagement of the state resources by corrupt African leaders.

In exploring the level of economic interaction between Africa, the BRICs (Brazil, Russia, India and China) and other emerging markets, Schoeman (2011) explained that while the relationship cuts across different facets/sectors, it is mainly driven by governments. The major features of the relationship are on the area of trade, FDI and Developmental Aids. The interaction is no doubt hinged on the principle of mutual respect and non-interference on internal affairs of the African states. However, a critical examination of the interaction would reveal that there are lots of

similarities when compared with the African interaction with the West. Trade relation between African states and BRICs and other emerging south states entails that while African states mainly supply natural resources like oil and solid minerals, their South trading partners use Africa to market their industrial products. This explains why it is mainly natural resources endowed African states that benefits from export trade in the relationship. This scenario is not different from the trade relation that existed between African and EU/US. Schoeman (2011) does not doubt that BRICs and other Southern states have made tremendous investment in the area of FDI on the continent. This has equally provided economic opportunities for the Africans both in terms of revenue for the governments and employment opportunities for the citizens. Notwithstanding, the FDI is mainly focused on infrastructural development, agricultural sector and on industrial development zones across the continent. In particular, China engages in trade relations and developmental assistance in the continent. One major feature of such interactions is the increased involvement of Chinese firms in the execution of the infrastructural projects. Unlike Western creditors that attach political conditionality to their assistance to the developing World, China extracts commitment that allows her firms to execute the projects in the recipient nations. The implication of this is that while affordable infrastructure may be built, the credits more often than not end up servicing the Chinese labour, denying Africa the full benefits of the employment opportunity and the development of local skills.

Schoeman (2011) further argued that as the need for food security increases internationally, the heavily populated countries and arid states in the South look for measures at cushioning the effect. In this regard, African countries are targeted by the emerging markets like China, South Korea, Arab Gulf states, etc, for the production of food and bio-fuel products for the benefits of their population and industries. The only difference between this and land investment by the West in Africa is that the South is directly involved whereas the West utilizes large companies for investment in African land. Another dimension of this direct investment in African industrial

development zones is the impact on the emerging markets (especially China). This involves the relocation of its low-cost manufacturing complexes offshore. While this might have short term economic benefits for the host countries, the relatively higher technology and cheap labour available to the Chinese will undermine African firms' competitiveness and hamper industrial development in the continent (Schoeman, 2011).

Rutaiwa and Mkwawa (2011) used Tanzania as a case study with the aim of identifying the main drivers of the bilateral trade and the benefits of the China-African economic and trade relations. They are of the opinion that that the relationship poses both opportunities and challenges. They found that China's major import from the country is raw materials, but the relationship increased the purchasing power of Tanzanians with the availability of affordable Chinese goods and services. They equally believed that while the relationship has created employment opportunities for Tanzanians, it poses a threat to Tanzanian economic growth, especially in the manufacturing sector; since it allows the participation of Chinese FDI in agricultural and manufacturing sectors, and ostensibly, participation in preferential export tariff like African Growth Opportunity Acts (AGOA), Economic Partnership Agreement (EPA), and Generalized System of Preference (GSP).

In evaluating the benefits of Sino-Zimbabwean relations, an article in *The Zimbabwean* (2015) contended that China has been a long outstanding ally of Zimbabwean ruling party-ZANU-PF dating back to the liberation period when the PRC provided arms, training and other support to the party. The paper stressed that the relationship has continued to grow under President Mugabe, especially as Western sanctions hang on Harare due to its controversial land reform policy and other forms of bad governance accusations. It pointed out that with the sanctions turning the country into a pariah state; the government adopted a 'Look East Policy' which allows Harare to enjoy international support from Beijing, and forged closer economic ties with the Asians. While China provides Zimbabwe with international support, the relationship pattern

also ensures that credit for infrastructure development, arms and other military support are also offered Harare. The latter reciprocates by assigning mineral extraction rights to the Asians, in addition to land leasing and the supply of such agricultural products like tobacco. In line with such exchange deals, the paper revealed that Zimbabwean state-owned businesses had in 2006 entered into agreement with China Machine Building International Corporation for US\$1.3 billion for mining coal and building thermal-power generators for the Southern Africa country. It also highlighted that Beijing provided farm machinery worth US\$25 million as part of US\$58 million loan to Harare in 2007. The payment for such Chinese aid comes from either agricultural land leasing, mining concession or in the supply of tobacco. According to the paper, this pattern of economic relations has witnessed a growing involvement of the Chinese in the mining of platinum, gold, chrome, copper, silver, coal and other minerals in the country. However, it asserts that due to international isolation confronting Zimbabwe, and the severe economic fortune it has rendered, the country's bargaining power against China is weak. The advantage gained by the Asians in dealing with Zimbabwe favours few of the ruling class to the detriment of the state interest.

Writing on the essence and pattern of Sino-Zimbabwean relations, Smith (2014) stressed that the relationship dates back to the 1970s when the PRC (Peoples Republic of China) provided military aid to the Zimbabwean liberation movement. Since then, the ties have grown stronger. He further highlighted that the bilateral relation has occasioned the signing of quite a number of agreements, besides spurring Beijing to continue to stand by Harare in the face of its struggling economy and battered international image resulting from the effects of the Western sanctions in reaction to its controversial land reform policy and concerns over corruption and human rights abuses. It has equally ensured the inflow of Chinese aids and investment into the country as the Asians enjoy business opportunities in various sectors of the Southern African economy, especially in the mining sector where they have the benefit of concessions. However, the

activities of the Chinese in the mining sector have attracted criticism as they are accused of labour abuses.

Exploring the challenges confronting Africa in its search for common position in the face of resource war by emerging and traditional powers in the continent, Kornegay and Landsberg (2009) held that Africa is caught up in the transition of the global balance of power between the traditional Euro-America and the emerging powers of global South. They summarized that the exploitation of Africa and Central Asia by the traditional and emerging powers is the driving factor in the geo-political and geo-economic scramble for Africa. They contended that the emerging powers have been strategically provided with an opening to Africa because of Africa's previous experience with the West coupled with their more acceptable economic policies towards Africa. While both interactions are geared towards achieving certain interest by the external powers, the major challenge confronting Africa is how to forge a common front in engaging in the relationship. They posited that fragmented and asymmetric sovereignty of the African states is responsible for their weakness in power relations with the external players. They argued that the weakness and constant suspicion of dominance against smaller states by the leading African states like South Africa, Nigeria and Egypt have given impetus to African states engaging with the external powers in unequal terms and in parlance devoid of streamlined leadership and concerted vision and purpose. This scenario is evident in the manner African states entered into bilateral agreements with external powers on the basis of individual benefits, neglecting the common posture of the continent or their regional interests. The outcomes of inter-regional forums/dialogues such as Forum for China Africa Cooperation (FOCAC), France-Afrique Summit, Indo-African Summit, etc, only end up serving the ends of the these non-African states. The combination of these factors undermines African integration and increases dependency issues on the continent. To guide against the aforementioned, they outlined that the

continental body (African Union) must develop a strategic mechanism and continental identity that would serve as a guide for its external relations both at continental and regional levels.

Analysing the macro-economic impacts of BRICs (especially China)' FDI on Less Industrialised Countries (LIC), with focus of Sub-Sahara Africa (SSA), Mlachila and Takebe (2011) noted that the global FDI flow has tremendously increased in the middle of the first decade of the Third Millennium. They found that the unavailability of reliable data on the subject occasioned by non-registration of SMEs and contradicting figures from the various public agencies have created difficulty in ascertaining the exact figure involved. Notwithstanding the constraints, they outlined the following as major features of the economic relations.

1. That FDI from BRICs, though mainly on natural resources sector, have diversified to other sectors including agriculture, manufacturing, service industries and banking sectors; thereby benefiting non-resources rich LICs.
2. That government owned investment companies are not the monopoly of source of FDI flows to LIC, as private companies especially in the area of SMEs are becoming increasingly involved with prospects of forming industrial hubs in the LICs.
3. That LICs should ensure that the received FDI's lead to transfer of technology, enhanced local skill, improved infrastructure and expansion of their export market.
4. That for maximal benefit of the FDI from BRICs, LIC (especially SSA) policy makers should ensure economic diversification from the gains of investments in natural resources.
5. That good governance should be encouraged to reduce the effects of mismanagement and corrupt practices.

6. That regional arrangement among the LICs should be encouraged in order to position the region to attract more FDIs with beneficial terms.
7. That LICs desire of using FDIs in creating local employment should be reasonable to avoid deterring foreign investment.

In exploring the Sino-South Africa trade relations, Molepolle and Ramakovhu (2012) revealed that the relationship between China and South Africa could be categorized into three structures of bilateral level, multilateral level, and under South-South cooperation. Under bilateral strand, the relationship takes effect at bi-national commissions with various committees, while the multilateral cooperation occurs at different international forums where mutual initiatives are pursued. Such forums include FOCAC, G20, WTO and G77. In the area of South-South cooperation, the membership of the two countries to BRICS group provides the opportunities for them to interact in solidarity and partnership. They further contended that the bilateral economic relations between the two states have strong presence in agricultural, forestry, fishing, mining and manufacturing engagements. It also takes into account two-way investment by the two countries. They emphasised that even in the face of negligible Chinese investment in South Africa; they are mainly located in the mining, machinery, financial ICT and appliances sectors while South Africa investment in China are mainly in Brewery, ICT, Energy, and Financial sectors, totalling about US\$800 million. They stressed that the warm economic relation has continued to grow and China has become South Africa's largest trading partner with import from China recording about 14% of South Africa's total import, and about 12% of its export excluding gold are destined to China. They further highlighted that the detail of the economic ties shows that South Africa has comparative advantage on the production of primary products essentially from mining sector, while Chinese advantage is on the secondary production chain, principally in the textile sector.

Examining the engagement between the emerging powers (BRIC in particular) with African States, Shaw et al. (2009) stressed that the global power configuration has witnessed growing re-ordering, which has given rise to a situation in which the emerging powers now play major roles in global power and diplomatic engagements; trade and investment. While the individual interest of the emerging powers may differ, in relation to Africa, they (BRIC in focus) utilize soft power, public diplomacy, foreign aids, trade and direct investment, cultural and social strategies in deepening their engagements with the continent. China and India are very prominent in this regard. While it is a fact that India and Brazil possess more democratic credentials than the authoritarianism of Moscow and Beijing, the holistic analysis of the impacts of BRIC on Africa on all sectors is very tasking. It is not simple to measure the cost and benefits of the relationship. It has been argued that the relationship has weakened African industrial capabilities since the African states participation in the relationship is largely for the supply of needed raw materials for the industrial complexes of the BRIC. However, in diplomatic circles, it benefits both sides. South Africa uses her membership of BRICS (BRIC members and South Africa) to further her image as a regional leader, though, this has always been challenged by other African states, while other BRICS members use the contact in the pursuit of their interest in Africa and at the global level.

Writing on Chinese policy of infrastructure- for-resources in Africa, Alves (2013) considered the policy as fallout of Beijing's domestic experience coupled with its competitive advantage and receptivity of the barter deal by Africans. Under the principle of mutual benefits, Alves (2013) contended that China utilizes its financial assistance to African states in securing construction deals and the pursuit of its resources security. Also, that while the huge infrastructure deficit in the continent has endeared its leaders to the Chinese barter policy, the growing demand of natural resources are the enticing factors that have heightened the involvement of Chinese government and private companies in the economic interactions. Notwithstanding the

acceptability of the policy by African leaders, Alves (2013) argued that its impacts have generated mixed reactions across the continent. While the policy ensures affordable infrastructure and other developmental aids to Africans without political conditionality, its non-consideration of good governance as criteria for engagement creates opportunities for corruption and human right abuses by the African leaders. Alves (2013) concluded that it is the responsibility of the leaders of the two interacting blocs to ensure favourable political outcome in the relationship.

Assessing the dynamics of Sino-African relations, Biggeri and Sanfilippo (2009) noted that there is massive increase in market and non-market relation between China and other developing world, including Africa. They argue that Chinese engagement in Africa is driven by three major factors:

- The going out policy (a policy which encourages the reinforcement of international trade relations by promoting Chinese investment abroad).
- The expansion of manufacturing production (an understanding that the rapid increase in Chinese manufacturing sector needs export market and the supply of needed raw materials for sustainability).
- International counterbalancing policy (an objective aimed at challenging the US monopoly in international system with Africa solidarity).

Biggeri and Sanfilippo (2009) considered the three policies to be closely linked and Beijing utilizes the three factors for the actualization of its FDI, trade and aid policies. As regards to China's FDI, they contended that its destination to Africa is rapidly increasing, but mainly channelled to natural resources exploitation through which sustained supply to growing Chinese manufacturing sector could be secured. On the area of trade, they are of the view that Beijing

uses its comparative advantage in manufacturing and affordability of its products to access African markets, and in return buys such needed raw materials like oil, gas, metal and wood from Africa. Also, aid is closely linked to two of above-mentioned policies. They opined that Chinese aid to Africa comes in the form of infrastructural credits and soft loans. This entails the involvement of Chinese companies in the building of infrastructural projects like roads, railways, health and educational facilities in the form of barter system in exchange for Chinese labour or exploiting rights to African natural resources. They concluded that the strategy has no doubt increased Beijing's influence in Africa and other developing countries.

The above analyses give insight into China's economic and political engagements with SADC states. This study aligns with the opinion that China's involvement in the region forms part of its policy of competing for global prominence through economic expansion. The policy is characterised by such factors as non- interference with internal political affairs of SADC states in granting infrastructural credits. It has witnessed massive Chinese investment in oil and other natural resources exploration in the region, increased the national income of natural resources endowed states, increased the import bill of non-energy states and has provided affordable infrastructure for the region. It has equally increased the presence of Chinese labour in the region. The influx of affordable Chinese products encouraged by cheap labour has no doubt adversely impacted on the competitiveness of SADC manufacturing sector, and had ensured the continued over reliance on natural resources for export by the region. Absence of such conditionality that promotes good governance on Chinese credits and infrastructural aids to the region has no doubt encouraged mismanagement and corruption by the regional leaders. Fragmented and asymmetric sovereignty of the SADC states in relation to China has also created a weak bargaining position for the region in its interaction with China.

The foregoing are some of the positions and arguments of analysts on regional integration as a development strategy, the emergence of SADC and intra-regional cooperation in the sub-region;

and China's economic diplomacy with SADC states. The highpoints of the literature are the process and essence of regional integration, intra-trade and sub-regional cooperation within SADC and the nature and consequences of China's economic relations with SADC states on industrial development and labour issues in the sub-region. The literature does not discuss how the factors and consequences of the relationship might have promoted or hampered regional cooperation and integration within SADC.

2.2 THEORETICAL FRAMEWORK

In order to conduct a comprehensive study on China's economic policy and its implications for SADC integration, theory of inter-regionalism was employed.

2.2.1 Theory of inter-regionalism:

Inter-regionalism represents the interaction of one region with other. The rise of inter-regionalism is often witnessed as a means of managing relations in a globalized world (Gilson, 2005). Inter-regionalism is often portrayed as a double regional project, responding to the need to pool resources together in recognition of inter-regional or global dynamics and as a process of regional emulation, in which existing regions trigger the formation of new ones with potential positive or negative consequences (Hettne et al., 1999). Regions are structured by the way they relate to the outside world. Extra-regional states, superpowers in particular, may have positive or negative impacts on the development of intra-regional cooperation (Hanggi, 2000).

Inter-regionalism is not a new phenomenon, being traceable as far back as the first Yaoundé convention of 1963 between European Community and the Associated African States and Madagascar. As a distinct arena of interaction, it allows for a far more nuanced consideration of inter-regional dialogue than has traditionally been the case. It may be viewed as a functional context with which rational actors operate. That is to say, as a step in the hierarchy of structures

of global governance, it may be viewed as possessing certain roles and functions within that structure, the performance of which may be affected by the nature of the actors operating within it (Diodge, 2007). Accordingly, Diodge (2011) contended that inter-regionalism constitutes a distinct layer in the architecture of global governance and cannot be understood without reference to regionalism on which it is founded. The shape and nature of inter-regionalism is premised to a great extent on the shape and nature of the regionalisms from which it is born.

Writing about the development of inter-regionalism, Hanggi (2000) pointed out that despite their reach, regionalism and globalization are most advanced in the Triad regions (Western Europe, North America and East Asia) and their peripheries. The process of globalization and regionalism which are largely economic in nature tends to undermine the political control of nation-states and limit their policy choices. In order to manage and balance relations among them, the Triad regions began to engage in interregional relations and witnessed the establishment of interregional bodies like APEC (Asian Pacific Economic Cooperation) and ASEM (Asia Europe Meeting). Thus, the causal factors of inter-regionalism and of regionalism are on-going process of globalisation and regionalisation.

Regionalism and inter-regionalism influence each other. Inter-regionalism is attributed to a large range of functions, elements of which are directed upward to global multilateral level and downward to regional level in the hierarchy of global policy making and as a strategy for achieving actorness (Doidge, 2007). Inter-regional-dialogue forums are regarded as intermediary level of interaction between the global and regional level performing five major potential functions: balancing, institution-building, rationalizing, agenda setting and collective identity building (Ruland, 2010).

The function of inter-regionalism is to maintain balance of power in military, political and economic spheres by keeping a check on the growing influence of great powers on the weaker

ones. Inter-regionalism is an approach employed by regional organisations to reduce the influence of superior powers through inter-regional dialogue whether in the form of formal or informal forums with the objective of attaining equilibrium or to enhance their bargaining power in bilateral relations (Maull & Okfen, 2003). As a means of institutional building, inter-regionalism promotes the proliferation of norms and structures in an international system in which liberal perspectives are inherent in trust building, while its rationalizing role is concerned with multilateral level of global governance. In this realm, it serves to clear roles which enshrine rules, norms and decision making procedure in facilitating communication and cooperation. As an instrument for agenda setting, it offers smaller members a sense of consensus and common interest by way of establishing combined agenda at global governance and negotiation. Equally, inter-regionalism promotes regional identity and firmer foundation for regional cooperation (Diodge, 2007).

Thus, inter-regionalism is a necessary tool in handling effects of globalization and other external influences on intra-regional cooperation. It functions in pooling together resources for regional advancement and in management of external relations and its effects by regional bodies. It is an international relations' theory that deals with the inter-play of regional dialogue and multilateral negotiations. It studies the national/ regional approaches to various issues that result from effects of globalization which makes for constant changes in traditional national boundaries to the new era of open borders and limitation on barriers on the movement of services, labour and capital; widening and deepening of politico-economic interactions between and among different regions not limited to geographical contiguity.

Inter-regionalism can be classified into three patterns (Ruland, 2010):

1. Bi-regionalism: Bi-regionalism represents group-to-group- dialogue organised in a hub-and-spoke relations with no common institutions and both sides rely on their own organisational infrastructure.
2. Trans-regionalism: Trans-regionalism represents such dialogue with more diffused membership from more than two regions and may not include regional organisation, and
3. Hybrid inter-regionalism. Hybrid inter-regionalism is a relation between single powers and regional groupings.

Inter-regionalism can be described as a multi-dimensional phenomenon with diverse application and utility. Accordingly, Baert et al. (2012) explained it as “a situation or process whereby two (or more) specialised regions interact as a region, that is, region-to-region interaction.” They contended that the concept could be classified into actor centred (old inter-regionalism /early years of bipolarism) and system centred (new inter-regionalism / the post-bipolarism era). They identify ‘pure inter-regionalism’ as the most commonly known form of inter-regionalism. Pure inter-regionalism they categorized as the form which emerges from the interaction of two recognisable regional organisations. Notwithstanding the popularity of the above construct, it is quite difficult to use the parlance in all descriptions of the forms of inter-regionalism. The narrow minded definition has a limitation as it cannot fit into a discourse of regional interactions that involves actors/systems without clearly identified borders. Therefore, typological classification of inter-regionalism goes beyond the traditional concept of region-to-region arrangement. Just as regional groups can be differentiated from regional organisations, so also can pure inter-regionalism (bi-regionalism), trans-regionalism, and hybrid/quasi inter-regionalism be differentiated. They explained that trans-regionalism takes effect when two or more regions with diverse origins interact in a framework of weak actorship that is devoid of

negotiations based on regional organisational agendas. Trans-regionalism involved interactions of both state and non-state actors. It accommodates NGOs and other trans-national networks. Also, hybrid/quasi inter-regionalism has conceptualised as a relation between a regional organisation/regional group and a state from another region. That refers to region-to state relations.

As indicated in the tables, bi-regional inter-regionalism include Association of South East Asian Nations and European Union (ASEAN-EU), EU-SADC, European Union and Southern Africa Development Community (EU-SADC), EU-RioGroup, EU-Adean Community, EU-Mercosur, SAARC-ASEAN, South Asian Association for Regional Cooperation and ASEAN (SAARC-ASEAN); while trans-regional type included Asia Europe Meeting (ASEM), Trans-Atlantic Free Trade Area (TAFTA), Europe-Latin America Summit, Africa-Europe Meeting, Asila Pacific Economic Cooperation (APEC), Free Trade of the Americas (FTAA) etc. Hybrid inter-regionalism consisted of EU-USA, EU-Russia, EU-China, EU-Japan, EU-India, EU-Korea, EU-Canada; EU-Mexico, ASEAN-USA, ASEAN-Canada, ASEAN-China, ASEAN-Japan, ASEAN-India, ASEAN-Australia etc.

Table 2.1: Bi-regional inter-regionalism (Hanggi, 2005).

	Europe	East Asia	South & West Asia	North America	Latin America	Africa	Oceania
Europe		EU-ASEAN			EU-Mercosur EU-Andean Community EU-RioGroup EU-CAIS	EU- SADC	
East Asia	ASEAN-EU		ASEAN- SAARC ASEAN- GCC		ASEAN- Mercosur ASEAN- RioGroup		ASEAN- CER ASEAN-SPF
South & West Asia		SAARC- ASEAN GCC- ASEAN					
North America							
Latin America	EU-Mercosur EU-Adean Community EU-RioGroup EU-CAIS	ASEAN- Mercosur ASEAN- RioGroup					Mercosur- CER
Africa	EU-SADC						
Oceania		CER- ASEAN SPF- ASEAN					

Table 2.2: Trans-regional inter-regionalism (Hanggi, 2005).

	Europe	East Asia	South & West Asia	North America	Latin America	Africa	Oceania
Europe		ASEM		TAFTA	Europe-Latin America Summit	Africa-Europe Summit	
East Asia	ASEM			APEC	EALAF (APEC)		APEC
South & West Asia							
North America	TAFTA	APEC			FTAA		APEC
Latin America	Europe-Latin America Summit	EALAF (APEC)		FTAA			APEC
Africa	Africa-Europe Summit						
Oceania		APEC		APEC	APEC		

While the Sino-SADC relations do not have such official inter-regional protocol that regulates the interaction, Table 2.3 shows that the relationship falls within the purview of hybrid inter-regionalism in which relationship between a stage and a regional group is classified. The usefulness of the theory of inter-regionalism in the study is to explore the influence of external dynamics resulting from China's economic policy on SADC intra-regional cooperation and integration. It will thus be applied to highlight the impact of external factors on regional integration.

Table 2.3: Hybrid inter-regionalism (Hanggi, 2005).

	Europe	East Asia	South & West Asia	North America	Latin America	Africa	Oceania
Europe	EU-Russia	EU-China EU-Japan EU-Korea ASEAN- Russia	EU-India	EU-USA EU-Canada EFTA- Canada	EU-Mexico EU-Chile EFTA- Mexico		
East Asia	EU-China EU-Japan EU-Korea ASEAN- Russia	ASEAN- China ASEAN- Japan ASEAN- Korea	ASEAN- India ASEAN- Pakistan	ASEAN- USA ASEAN- Canada			ASEAN- Australia ASEAN- New Zealand
South & West Asia	EU-India	ASEAN- India ASEAN- Pakistan					
North America	EU-USA EU-Canada EFTA- Canada	ASEAN- USA ASEAN- Canada					
Latin America	EU-Mexico EU-Chile EFTA- Mexico						
Africa							
Oceania		ASEAN- Australia ASEAN- New Zealand					

2.3 CONCLUSION

The literature highlighted the essence of regional integration as a development strategy. Opinions on SADC integration drive and the impacts of Chinese economic policy on Southern Africa economic development were equally espoused in the literatures. The study centres on bilateral relations between two regions with distinct geographical locations and varying development index. Notwithstanding that the Sino-SADC relations do not have such official inter-regional procedure that regiment the interaction, the illustrations in Table 2.3 above prove that the relationship falls within the framework of hybrid inter-regionalism. Consequently, theory of inter-regionalism was employed in the study. The utility of the theory was to explore the influence of external dynamics resulting from China's economic policy on SADC intra-regional cooperation and integration. It was thus applied to highlight the impacts of external factors on general regional integration, especially that between parties with varying developmental levels.

CHAPTER THREE

HISTORIC ORIGIN AND EVOLUTION OF SADC

3.0 Introduction

The end of the Second World War witnessed the growth of multilateral engagements by states and non-state actors. The establishment of the United Nations Organisation (UNO) in 1945 with the objective of forestalling the outbreak of another world war by uniting the states for peaceful settlement of disputes against the resort to arms struggle was a major catalyst for the subsequent promotion of regional organisations for both specialised and multi-purpose functions. The UNO Charter, chapter VIII, Article 52 supports the establishment of regional organisations for the promotion of global peace and development (UNO, 1945). In line with this principle, the European Union (EU) was established, metamorphosing from the European Iron and Steel Community, set up in 1951 (European Union, 2014). Today, the EU is a model in the realm of functional integration. Its successes result from several efforts that grew from cooperation on socio-economic issues. With the EU success, several regional organisations have adopted its methodology in their integrative drives. Not initially programmed to toe the line of economic integration, but for political liberation of the states of southern Africa that were then under the grips of colonialism, and to reduce the region's dependence on apartheid regime of South Africa, SADC is today one of the regional organisations striving to achieve sustainable functional integration deeply rooted in economic cooperation of its member states. In the pursuit of this objective, SADC has recorded quite a number of successes while contending with some challenges. Meanwhile, to have a full grasp of pertinent issues involved in SADC economic integration, there is the need to highlight its historical evolution as a regional community.

The evolution of Southern Africa Development Community (SADC) as a regional multi-purpose community is a result of tumultuous journey that took several efforts. It started as a political reaction to the European colonial adventure in the Southern Africa region. The march towards the establishment of the regional community began with the formation of 'Frontline States', to the establishment of Southern Africa Development Coordinating Conference (SADCC). SADCC is the immediate precursor of SADC. For the purpose of clarity, this evolutionary trend will be critically analysed in their historic and thematic forms.

3.1 FRONTLINE STATES

There is no gainsaying the fact that the European partition and subsequent colonization of Africa greatly impacted on the socio-political and economic lives of Africans. The consequences of the colonial enterprise on African continent have left indelible marks that cut across the fabrics of existence of the continent. The wars of conquest and gun-boat diplomacy that effectively planted European ownership and rulership over African territories are legendary. African communities, kingdoms and kinsmen were balkanised by the European efforts to implement the Berlin partition plan (Adebajo, 2015). In Southern Africa, the policy did not only ensure political and economic subjugation of the Africans, but laid a strong foundation aimed at ensuring that the aborigines stood no chance of challenging the white minority rulership, even in the future (Potts, 2013). While the end of the Second World War witnessed massive political liberation efforts across the globe with the attainment of political independence by many African states, especially from the 1960s, most states of Southern Africa were still under the firm control of the colonialists (Hartley, 2012). Apart from the political control of the region by the Europeans, the very factor that supports the survival of the Africans, land was the choice ownership of the colonialists (Potts, 2013). However, as the wind of change continued to blow across Africa with more states attaining political independence, the Organisation of African Unity (OAU) was formed in 1963. With the main objectives of fostering unity among African people, and the total

liberation of African states still under colonialism, the focus of the OAU Liberation Committee (Great Soviet Encyclopaedia, 1979) coupled with the Pan-Africanist visions of former Tanzania and Zambian leaders, Julius Nyerere and Kenneth Kaunda, 'Frontline States' was formed (Mandaza & Tostensen, 1994). Thus, Tanzania and Zambia were the first members of the group. Botswana joined about 1975 while Mozambique and Angola joined in June and November of 1975, respectively. Zimbabwe and Namibia joined in 1980 and 1990, respectively.

The formation of the Frontline States was to serve as an operational base in coordinating the struggle against colonialism and white minority rules in Southern Africa. The inability of the Africans to effectively tackle the white settlers' regimes in Southern Africa became obvious with the unilateral declaration of independence in Rhodesia (now Zimbabwe) which called for intensified efforts at liberating the region. With that resolve, Frontline States became the regional machinery in the liberation drive. Funds and other logistics were provided for the group from across Africa and non-African partners. Nonetheless, the efforts did not go without reactions from the colonialists. For instance, Zambia suffered constant harassment and sabotage from Rhodesia and South Africa (Mandaza & Tostensen, 1994). The devastating sabotage by the colonialists against the efforts of the Frontline States did not deter them from continuing the campaign for their total liberation. The results of that avowed determination propelled the region to move ahead and engage in more encompassing method of liberation that involved economic issues as well. That effort led to the formation of Southern Africa Development Coordination Conference (SADCC) that is subsequently discussed in this study.

3.2 SOUTHERN AFRICA DEVELOPMENT COORDINATION CONFERENCE

Southern African Development Community is an off-spring of the 'Frontline States'. It was a product of the concerted efforts of the leaders of the Southern Africa region, and drew inspiration from the agenda of the Conference of Heads of States and Government of East and

Central Africa, which came into being in Nairobi, Kenya in 1966. These efforts could be traced to the resolution by the Frontline States to surmount the challenges they faced in their liberation objectives in the Southern Africa. At the Summit of the Heads of States and Governments of East and Central Africa held in Lusaka, Zambia in 1969, a policy framework known as 'Lusaka Manifesto' was drawn and adopted. It critically evaluated the state of affairs in the Portuguese and British colonies in the region; and upheld the adoption of arms struggle against the colonialists in Angola, Mozambique and Southern Rhodesia and the policy of boycott against the apartheid state of South Africa. Notwithstanding the posture of the policy, the apartheid regime in South Africa continued to grow and even began to court the friendliness of the government of Malawi. Consequently, a summit of Heads of States and Governments was held in Mogadishu, Somalia in 1971. The summit evaluated the success and challenges confronting the Lusaka framework. Without the overwhelming support of the member states, the summit adopted the 'Mogadishu Declaration'. It called for arms struggle against the apartheid South Africa and the abandonment of Lusaka idea of applying only boycott against the regime (Mandaza & Tostensen, 1994). At this stage, the efforts of the regional leaders were mainly to mobilize the region to counter Pretoria that posed the most serious threat to political and economic liberation and development of the region. The efforts did not easily yield results as there were doubts of success. International community and even some member states were reluctant in identifying with the regional objective. Nevertheless, the struggle for survival which hinged on political and economic liberation of the region was an undying motivation necessary for continued campaign against the apartheid draconic policies.

While Botswana did not support the idea of employing arms struggle against the apartheid regime, under the leadership of Seretse Khama, it vigorously pursued its own brand of the Lusaka manifesto by intensifying the boycott of Rhodesia and South Africa and equally took the anti-apartheid policy to international forums. However, when the policy of boycott failed to

dismantle apartheid, it gave full support to the arms struggle idea and even hosted thousands of refugees from Angola, South Africa, Namibia and Rhodesia. This was not without reaction from the apartheid regime as it continued to harass and intimidate Botswana through military incursions and sabotage, but that did not in any way deter Gaborone from pursuing its liberation policy. Nonetheless, the strenuous efforts of the Frontline states at achieving total liberation for the Southern Africa gradually yielded results. Mozambique and Angola gained independence in 1975, while Zimbabwe (formerly Southern Rhodesia) got hers in 1980.

With the imminent attainment of independence by Zimbabwe very clear, considering its economic potentials, local and international opinions pointed at the country as having the economic potentials that would be needful in attracting development aid and investments support to the region. While some of the states in the region were afraid that aid and investments would be channelled to Zimbabwe to their own detriment, others saw the investment potential and international support it would attract to the region. Consequent upon that, the Frontline States mooted an idea of utilizing Zimbabwe as a front in seeking and mobilizing international aids and assistance for the entire region. Thus, with the support from both local and international sympathizers, an idea of setting up a body to harmonise positions on the mobilization and management of aid was canvassed in the form of establishing the Southern Africa Aid Coordination Conference (SAACC). This gave rise to the meeting of the Foreign Ministers of the Frontline States in Gaborone, Botswana in May, 1979 that considered and adopted the idea; and thereby set up a steering committee. A meeting of the officials of the group was subsequently held in June 1979, where Mozambique proposed the adoption of regional cooperation and the setting up of a framework that would oversee the implementation of the decisions of the conference. This was the beginning of the move to establish a structured regional body in Southern Africa. Consequently, the July 1979 conference in Arusha, Tanzania debated and agreed on the framework establishing Southern African Development Coordination

Conference (SADCC). The regional body was officially launched on April 1, 1980 with the signing of the treaty of its establishment by the officials and the representatives of the region. It was formalised by a Memorandum of Understanding by the member states on 20th July, 1981 (Mandaza & Tostensen, 1994). Thus, for political survival, the states needed to gravitate towards a regional framework that gradually expanded to include functions of mobilization of resources for economic and infrastructural development. The spill-over of success from one sector to the other just as it occurred in the case of the EU was very instrumental in the evolution of the Southern Africa regional organisation. With the instrumentality of the SAACC charged with the mobilisation of aid, the success achieved necessitated the formation of SADCC. At this stage, majority of the member states had seen the reason to improve their efforts in confronting the challenges faced in the region.

3.2.1 The Institutional Structure of SADCC

Drawing from years of experience gained from the East Africa Community (Tanzania is a member of the regional body) and cooperation witnessed as members of the Frontline States in their efforts at ensuring total liberation of the sub-region and the reduction of the region's dependency on the apartheid South Africa, SADCC operated a small and effective secretariat located at Gaborone, Botswana. Most of the activities of the sub-regional body were located and executed by member states in line with its sectoral strategies as will be highlighted later. Notwithstanding, the organisation was constituted of the following formal institutions:

- The Summit
- The Council of Ministers
- The Standing Committees of Officials
- Sectoral Committees or Sectoral Commissions

- The Secretariat

The Summit is the highest organ of the sub-regional organisation, and is responsible for policy direction. It was consisted of the Heads of States and Governments of the member states. The summit is held at least once annually and its chairmanship is rotational among member states in three years tenure. As regards the Council of Ministers, it is the main body charged with the coordination and implementation of policies of the organisation. It was made up of a Minister from each member of the organisation and meets at least twice a year. It assigns roles to member states in the discharge of activities in its various sectoral strategies. It was equally bestowed with the responsibility of convening the ‘Annual Consultative Conference’ of the Governments and agencies of the sub-region. It was directly responsible to the Summit of the Heads of States and Governments. Also, the Standing Committee of Official was responsible to the Council of States. It was consisted of the National Contact Point (NCP) of member states drawn from the senior civil servants of the members. It served in advisory capacity and handled administrative functions like proposal processing for the Council of Ministers. Equally, the Sectoral Committees or Sectoral Commissions came into effect through the conventions of the member states. They carried out the responsibilities of handling specific programmes in the sectoral strategies of the organisation. Each committee was coordinated by the member states overseeing the sectoral programme. Lastly, the Secretariat situated at Gaborone, Botswana was headed by an executive Secretary. The secretariat was responsible for the implementation of the decisions of the Summit and the Council of Ministers. The Executive was directly responsible to the Council of Ministers, and was charged with the responsibility of preparing the Annual Reports of the Organisation. Equally, the Executive Secretary represents the sub-regional body in international diplomatic arena. Meanwhile, the organisation involves the services of Working Groups and Technical Committees in the implementation of its policies outside the formal institutions (Mandaza & Tostensen, 1994).

3.2.2 SADCC Objectives

Being a product of efforts and experiences of the Frontline States, SADCC inherited the desire of achieving a total liberation of the sub-region from the white minority rule and the improvement of the economic fortunes of the member states. In the light of those objectives, SADCC intensified efforts at drastically reducing the economic dependency of the sub-region on the apartheid regime of South Africa. Consequent upon this ideal, the objectives of SADCC are concisely captioned as stated below:

- Reduction of member states dependence, particularly but no limited to the apartheid South Africa.
- Forging linkages to create genuine and equitable regional integration.
- Mobilisation of member states' resources to promote the implementation of national, inter-state and regional policies
- Concerted actions to secure international cooperation within the framework of strategy for economic liberation (SADC, 2012).

To achieve the above objectives, SADCC formulated regional economic framework anchored on the comparative advantages of member states and general needs of the region for implementation in its sectoral strategies. The sectoral programmes were initiated in those sectors that had the potentials to uplift the region's economic situation and advance its position on global economic standing.

3.2.3 SADCC Programmes of Action

With the determination to reduce the member states dependency on apartheid South Africa, which it considered as the major hindrance to its liberation effort in the region, the organisation adopted a strategy that it hoped will ensure the provision of alternative facilities that would promote options in their utilization of South African critical facilities like those transportation and communication or their total abandonment. In pursuing this strategy, member states of the organisation would propose implementation before the Council such projects that it considered vital to the regional aspiration in line with the organisation's objectives. The funding, ownership and coordination for implementation of such projects belonged to such state(s) that they were located in their shores. The role of the regional organisation was to seek regional and international support in the execution of the projects. Thus, the idea was to pursue regional agenda through national programmes (Hanlon, 1989).

As the organisation pursued its regional economic agenda through the above aforementioned spectrum, it soon became visible that the programmes of action required more coordination especially in the selection of projects for implementation in order to ensure that they were viable and in the interest of the regional goals. Such reform in the selection and approval of projects was undertaken to correct a situation whereby national governments pursue policies that were sometimes contradictory to the sub-regional objectives, and thus led to waste, duplication of projects and undermines the maximum utilization of projects for the attainment of economic development and liberation from the apartheid regime. In this regard, the organisation drew up a framework that provided guideline for the sectoral policies. The framework was meant to ensure that national programmes provided supportive linkages to the regional objectives. It was also aimed at ensuring that sectoral linkages provided for total mobilization of the resources and potentials of the sub-region in its economic development quest. The general utility of the measure was to ensure progress in the actualization of the Lusaka Declaration in the area,

developing regional skills and the production of goods and services in the sub-region (Mandaza & Tostensen, 1994).

The Sectoral Programmes

Transportation and Communication

Transportation and Communication was identified as the priority project of SADCC. This derived from the fact that the continued economic dependence of the sub-region on apartheid South Africa was consequent upon the reliance of the sub-region, especially the landlocked states on the South Africa transportation and communication system. Thus, the leaders of the organisation resolved to set up Southern African Transportation and Communication Commission (SATCC). The Commission as pointed out by Mandaza and Tostensen (1994) was charged with the responsibility of looking into how the already existing facilities and provision of new ones would serve the sub-regional objectives. Thus, consideration was given to the prospects of using the Indian Ocean Port in Mozambique to serve the maritime transport needs of about six states in that corridor. Also considered in the transport services of the landlocked states were the use of Tanzania and Angola ports; and the linking of Botswana-Zambia rail line to Namibia port facilities. The efforts recorded tremendous results and greatly reduced the dependency of the sub-region on the use of South Africa transport facilities to the extent that by 1982, South African ports only handled 50% of the SADCC external trade as against 80% it handled in 1980. The initiative, as noted by Fair (1989), prompted the construction of a 130km transportation corridor that linked Zaire (now DRC) and Zambia to the port in Benguela, Angola. When this route came under the attack of UNITA, an ally of apartheid South Africa, a 570 km

Tazara railway that linked Tanzania and Zambia to Dar el Salam port in Tanzania was constructed with the help of the Chinese government. Beira-Maputo via Chicualacuala was also established. The route aided the transportation of goods from Rhodesia (Zimbabwe) to Maputo in Mozambique. The route was however closed by the FRELIMO government in Mozambique, as its support for struggles against the unilateral declaration of independence by Rhodesia intensified. It was later opened after 1980 when ZANU-PF gained authority in Zimbabwe. Nonetheless, from 1981, the route again came under attack from RENAMO rebels in Mozambique and transportation from Zimbabwe was cut off by 1984. The action of RENAMO also forced Malawi to abandon the Beira and Nacala routes. With the devastating effects of Pretoria allies on the alternative transportation facilities of the region, by 1986, about 90% of the exports from Zimbabwe, Zambia, Malawi and Botswana had gone back to the facilities of Pretoria. While the sabotage efforts of Pretoria and its allied rebel groups in the regions in the region continued to disrupt the operations of the alternative railways and ports, SADCC states did not relent in their struggle. With international donor assistance, coupled with mounted international pressure on Pretoria, rehabilitation works were carried out on some of the destroyed and closed facilities. In 1987, rehabilitation works began on the 538 km Limpopo line that runs from the Zimbabwe border to Maputo through Chicualacuala to Limpopo port, costing the British government US\$4.5 million. The first phase in rehabilitation of the Nacala route also received Finish assistance of US\$16 million, and Mozambique received assistance of US\$4 million. Further rehabilitation on the route cost about US\$208 million, coming mainly from France, Canada and Portugal. Meanwhile, uncertainty still loomed over the use of Nacala route in the face of continued disruptions by RENAMO. Malawi made efforts to link its transport system to the Tazara railway en-

route to the Dar es Salam port in Tanzania. In civil aviation, as highlighted by Mandaza and Tostensen (1994), the expansion of facilities in the Dar el Salam, Lilongwe, Maseru and Manzini airports ensured that most SADCC members operated direct flights among themselves as against the previous practice of transiting through South Africa. Also, in the telecommunication sector, efforts were made to provide intra-regional facilities that ensured that the member states communicated easily and cheaper among each other and reduced the practice of routing calls through European and South Africa waves. The aggressive reform also took part in the postal and meteorological services. The action plan introduced the operation of express services throughout the region, and also improved data collection and weather monitoring on the meteorological service.

Energy

Right from the inception of the organisation in 1980, according to Mandaza and Tostensen (1994), energy security ranked high among the region's main concerns. It was aimed at addressing the incessant pressure and disruption of energy supply for its industrial and domestic uses by the apartheid government of South Africa. The plan of action here was to ensure uninterrupted supplies of energy to SADCC member states, the development of local skill in the energy sector, and equally to facilitate the repairs of facilities in the sector; and to improve energy conservation through regional cooperation. The focus in this policy was on petroleum, electricity, and wood fuel; coal and energy conservation. In petroleum sub-sector, efforts were made to rehabilitate and upgrade the already existed refineries in the sub-region and to ensure that supply security was achieved. Equally, study was conducted to ensure that right refining methods were applied to checkmate the usual short supply of products like diesel in the sub-region. Also, the region made tremendous efforts in the electricity

sub-sector, resulting in a situation whereby the sub-region recorded surplus in their electricity generation most time of the year. Thus, more attention was focused on the rehabilitations of the existed facilities in order to improve on their regional intra-regional connections. While the above was tackled, it equally ensured the linkages of isolated areas to power grids through its cross-border interconnections. In addition, in recognition of the huge demand and consumption of wood fuel by its population in both domestic and commercial spheres; and its consequences on the environment, SADCC involved enlightenment campaigns to educate the populace on the need to reduce their usage of wood fuel in preference to alternative energy consumption and the importance of engaging in re-planting in protecting the environment from deforestation. The region also adopted a number of frameworks aimed at achieving a sustainable energy security. As highlighted by SADC (2006), the measure has contributed to establishment of the Southern Africa Power Pool (SAPP) plan. SAPP has the objective of ensuring optimal utilization of available energy resources in the region, and undertakes to ensure that member states get energy support during emergency situations. Except for the island member states, other member states belong to SAPP. It functions as regional energy “stock exchange” where member states trade on energy supply. Apart from SAPP, the region also has “The Western Corridor” project (WESTCOR). The project utilizes the water resources of the Congo River to generate power, especially for the use of the western states of DRC, Namibia, Angola and Botswana. For effective operation of the project, a number of initiatives were taken that included transmission expansion and inter-border connections across the region. These projects include the following: Regional Energy Planning Network (REPN), Regional Electricity Regulation Association (RERA), Regional Petroleum and Gas Association (REPGA), Rural Energy Planning and Environmental

Management (REPEM) and Programme for Biomass Energy Conversation (ProBec). Notwithstanding the above efforts, challenges of lack of political will from the regional leaders to implement initiated policies, inadequate funding for projects, inadequate of technically supported manpower and cases of non-continuity arising from change of national governments and memberships of technical committees charged with the implementation of the various projects have constituted the greatest obstacles to the actualization of the region's energy programmes.

Food and Agriculture

The food and agricultural programmes of the region was basically as a reaction to the adverse effects of the drought witnessed in the region in the 1980s. The ugly incidence had provided the regional leaders the momentum to reflect deeply on factors that would help checkmate its re-occurrence and ensure future food security in the region. Consequently, a regional master plan was set up in 1987. It evaluated the existing agricultural policies/practices and espoused that increase in regional and national food production and storage capacity should be aligned with policies that would encourage the engagement of the rural areas in income earning activities in the sector. As emphasised by Mandaza and Tostensen (1994), it proposed the expansion of the area of land under cultivation and the deployment of modern technologies in the sector. It equally espoused the improvement of skills in the sector through training and more investment in irrigation and livestock breeding. Also, it stipulated that enhanced marketing, credit and extension services should be provided, in addition to the provision of economic enabling environment. The implementation of the master plan formed part of the integrated strategy that involved small farmers, private enterprise and foreign investment; research and training programme under the coordination of Southern African Centre for Cooperation in Agricultural Research, SACCAR.

The research centre was instituted to direct agricultural and natural resources research and training activities and to support collaboration among member states in the sector. Equally, it was charged with the responsibility of encouraging and propagating relevant information on the utilization of necessary techniques on agricultural production among member states. It was as well given the responsibility to coordinate the regional research on various agricultural practices. Despite those measures, the effects of climate change and the devastating consequences of HIV/AIDS have contributed to make food insecurity a serious challenge in the region (Mubaiwa, 2005). In response to these challenges, the region has taken such measures as provision of essential agricultural inputs for the farmers and the intensification of efforts at improving agro-industrial processing to a priority level. Other measures include the enhancement of crop production through irrigation and pest control, improvement on agricultural financing, disaster management and human resources development (SADC, 2004).

Meanwhile, as is the case with most of the regional initiatives, recurring constraints emanating from lack of political will and inadequate financing have been identified as the major obstacles to the achievement of sustainable food security in the region.

Natural Resources and the Environment

The regional organisation undertook concerted efforts at safeguarding its environment and natural resources. Accordingly, Mandaza and Tostensen (1994) emphasised that the regional body adopted a policy framework in 1988 which considered various issues that constitute natural resources and environmental conservations and sustainability. In this regard, it focused attention on how the best practices would ensure the preservation of the environment while engaging in the suitable exploitation

of the natural resources like, fishery, forestry and wildlife. It involved campaign and public enlightenment on the need to avoid such practices that would encourage soil erosion, desertification and deforestation. It equally set up agencies that were charged with the preservation of wildlife, and the suitable exploitation of marine and inland fisheries. Among these agencies were Zambezi River Action Plan (ZACPLAN) and Southern Africa Centre for Elephant Management. The objective here was to ensure that while endowed natural resources in the region are utilized for the economic development of the region, the process of exploitation and other human activities do not constitute harm to the environment, and endanger lives and thereby disrupting the natural serenity of the region's environment. Notwithstanding these efforts, as disclosed by Mubaiwa (2005), the high rate of poverty, effects of climate change that sometimes result to drought and poor agricultural yield have combined to force the rural dwellers to evolve extra measures to improve their earning, resulting in deforestation induced for wood fuels and reclamation of land for agricultural purposes. This factor creates a recycling situation in that the practice worsens the effects of climates and its attendant contribution to the rise of poverty in the region.

Livestock Production and Animal Disease Control

Southern Africa is prominent for livestock production. This includes the rearing of cattle, goat and sheep. The livestock production sector serves both the local needs and equally provides foreign earning through export trade. The regional programme in this sector was to provide disease control services, and to promote suitable production practices. In the area of animal disease control, emphasis was given to combating diseases like Foot and Mouth Disease, Trypanosomiasis etc. In the same vein, as disclosed by Mandaza and Tostensen (1994), the use of rangelands, enhanced

production systems, training and improved veterinary services were given serious attention in its improved and suitable production livestock programme. Efforts were actually made to ensure that best practices were applied in the production of livestock to ensure that animal diseases were effectively controlled if they occurred, to avoid a situation whereby such incidence led to serious health problems in the region. This initiative was closely linked to the SACCAR research programmes. Similarly, to checkmate the spread of animal diseases, with the support of Food and Agricultural Organisation (FAO) and others such as the EU, annual and biannual vaccination programmes were carried out especially against Foot and Mouth Disease. National governments were also encouraged to adopt other measures at combating the spread of animal diseases. One of such measures was the erection of perimeter fences to prevent livestock from having contacts with wild animals in game reserves (Scoones et al., 2010).

The region has made commendable efforts in this sector, as animal diseases are effectively controlled while livestock production has been enhanced and continued to rank high in the foreign exchange earning of some of the member states.

Industry and Trade

The importance of trade in functional regional integration cannot be over-emphasised. In order to reap the advantage of effective trade relations in its regional economic objectives, SADCC leaders took a holistic appraisal of the general issues relating to trade in the region. It was observed that member states belonged to different trade blocs at bilateral and multilateral levels. It was equally observed that actual intra-regional trade volume within the region was very low. Thus, as Mandaza and Tostensen (1994) stressed, the low volume of intra-regional trade among the member

states was attributed to low industrial output in the region. Therefore, to improve their intra-regional trade volume, the leaders resolved that the removal of barriers to industrial production must be given priority attention. This vision occasioned consultations at different levels. Notwithstanding, the non-membership of South Africa and its sabotaging policies towards the region meant that SADC states, especially the neighbouring landlocked states to South Africa relied heavily on Pretoria for external trade.

Thus, milestone achievement in this sector was the opening of alternative transportation corridors as we discussed under the transportation and communication programme of the region. Apart from that, while the need for development industrial trade relation was part of SADCC action plans, not much was achieved in that regard and it formed parts of the policy focus of the organisation's successor body, Southern Africa Development Community.

Human Resources Development

Recognising the importance of skilled and productive manpower in the actualisation of the region's objective of economic development and reduction of its dependency on apartheid South Africa, the regional leaders resolved that long term comprehensive programme in that regard must be pursued. In doing that, focus was on the improving the productivity of the population through educational system that involves skills acquisition and development anchored on sound scientific and technological innovations, entrepreneurship and vocational training. As noted by Mandaza and Tostensen (1994), this was also backed with policies that were meant to ensure the retention of the trained skilled individuals for the advancement of the member states and the region.

Similarly, findings revealed that measures were equally taken to improve the citizens' access to education and eradication of marginalisation against women and children with disabilities. The improvement of quality of education implies that qualified teachers and standard learning materials and facilities should be provided, while the teachers should be exposed to regular training. Campaigns against the spread of HIV/AIDS were equally intensified in the educational institutions, while priority was given to the development of information technology and other science-based courses in the tertiary institutions. However, since human resources development is a continuous and long-term policy, the objective in this sphere was transferred to SADC that succeeded SADCC, and it forms a top priority in the regional development agenda.

Mining

The region is abundantly blessed with different kinds of mineral deposits. These include Copper, Lead, Zinc, Cobalt, Gold, Silver, Coal, Petroleum, Gas, etc. However, as is the case in most developing countries, a greater percentage of the minerals are exported abroad in their primary raw nature. This practice denies the nations the benefits derivable from adding value to the products and the opportunities it could create in the industrial manufacturing sector. Thus, as emphasised by Mandaza and Tostensen (1994), the sectoral programme here was to improve the local processing and consumption of the products by adding values to them. It was anchored on providing required training in the areas of mineral beneficiation, marketing, financing and technology.

Similarly, findings disclosed that there were equally regional efforts at harmonising mining policy regimes of the community. Also, efforts were made to improve

geological information, especially as it relates to environmental impacts of mining, marketing and processing, human resources development and the involvement of small-scale miners in the sector. However, as a result of low rate of implementation of regional agreements, member states still maintained their different mining policies, and this has greatly robbed off on the region as the MNCs have capitalised on that to extract various concessions from their host states, and this most often undermines the regional agenda in the mining sector.

Tourism

The economic potentials of the abundant tourist locations in the region were recognised by the regional leaders. Accordingly, as highlighted by Mandaza and Tostensen (1994), the regional programme in the sector was framed to take adequate advantage of these potentials by proper coordination in the areas of regulation, products development, training of the operators in the sector on managerial and administrative skills, diversification of regional products and involving sound marketing strategy in the sector. The study identified that programme of action in the sector employed market and promotion strategies, improvement on public and private sector investment, and enhanced international and local transportation mechanisms to drive the agenda of tourism development in the region. Thus, the region utilizes tourism as a major revenue generation and the overall spill-over effect to economic development. The programme is still a work in progress and forms an integral aspect of SADC economic development strategy, but has yielded appreciable results in some of the member states like Mauritius and Seychelles, where revenue from tourism sector rank highly in the national earning of the states.

Culture and Information

The creation of this sector was in recognition of the need to promote the cultural heritage of the region for both local and international awareness. The essence as stressed by Mandaza and Tostensen (1994) was to utilize the cultural heritage to cultivate common destiny and understanding amongst the regional population in the overall integrative objective of the organisation. Some of the products of this initiative include SADCC Festival of Arts and Culture and Southern Africa Film Festival. The strategy of enhancing cultural and heritage awareness in the region was fruitful as it created understanding and bond, especially among many of the anti-colonial movements in the region, who thus see each other as comrades in their quest to dismantle minority rules across the region. With the attainment of independence and the collapse of apartheid regime in South Africa, the relevance of the programme of action has not lost steam; it is still very necessary in stemming the tide of afrophobia resentments and attacks that pervade the region. In this regard, SADC, under its general integration drive, utilizes cultural exchanges and information in bringing the peoples of the region together.

3.2.4 Challenges that confronted SADCC

SADCC did not in any way have a smooth ride in its drive to achieving political independence for the remaining states in the region still under the grips of colonialism and white minority rule, and the reduction of the region's economic dependency on the apartheid regime of South Africa. As stated by Robert Mugabe, the then Zimbabwean Prime Minister in his keynote address in the conference held in London's Commonwealth Institute in July 1984 on development in SADCC region, *"the forging of new links through regional integration was intended to create a genuine and equitable system aimed at heralding a new era of hope of justice"* (Mugabe,1984). The

conference was held to discuss the progress and problems facing SADCC region. As linked with the devastating effects of the South African sabotaging policies aimed against SADCC efforts of attainment of collective reliance and the elimination of poverty in the region, SADCC as highlighted by Prime Minister Mugabe in 1984 was faced with enormous challenges ranging from infrastructural deficit, problems of food security, industrialization and other constraints confronting mining sector of the region's economies. Notwithstanding the enormity of the challenges, the greatest of them all were transport and communication. The reliance on the use of the South African transport and communication infrastructure especially by its landlocked neighbouring states had made the regional efforts at reducing the hegemony of the minority regime in the region inevitable, and had to be confronted to have any hope of ushering in interdependence and economic self-reliance in the region. To this end, the regional institute had adopted regional framework at tackling the problem by establishing Southern African Transport and Communication Commission (SATCC). The commission as will be broadly highlighted in the sectoral programmes of SADCC was charged with responsibility of coordinating the use and rehabilitation of the existing transportation facilities in region. Mozambique was given the mandate of coordinating the activities of SATCC. Another constraint that confronted SADCC was the problem of food security. The region had witnessed a number of droughts that strained its efforts at achieving food security. The severe drought of 1982/83 was so acute that it was estimated to have caused a direct loss to agricultural harvest worth about US\$1.5 Billion. The loss in the yield led to serious food shortage, and affected the overall development of the region. In order to checkmate such disaster, SADCC came up with a regional food security plan under the coordination of Zimbabwe. The plan was geared towards achieving improved agricultural production; crop forecasting, storage and distribution, project proposal, early warning system; regional information system and inventory of agricultural resources base. It was equally charged with the responsibility of engaging in food processing and reserve, post harvest loss reduction,

provision of marketing infrastructure, and retention of professional and technical staff for Ministries of Agriculture in the region.

Meanwhile, in order to reap full benefits of its regional plan on agricultural development and food security, SADCC established a research institute under the coordination of Botswana with the task of ensuring improved agricultural performance and the servicing of the programmes in the sector through research. To this end, Southern African Centre for Cooperation in Agricultural Research (SACCAR) was established in 1984. Just like in the sectors already discussed; SADCC was similarly faced with the problem of industrialization. Industrial production was very low in the region and that has led to the grouping of some states in the region as Least Developed Countries (LDC). In order to improve the industrial capacity of the region, SADCC member states stressed by Mugabe (1984)) engaged in policy structuring in line with the regional focus. At the regional level, industrial development programme was adopted, and was coordinated by Tanzania. The regional ambition at industrial capacity improvement witnessed the coordination of 88 new projects worth about US\$954 million in 1983. Moreover, with the recognition of the mining sector as the main exchange earner for the region, ranking high in its GDP, regional efforts were taken to coordinate development programmes in the sector under the headship of Zambia.

Meanwhile, while SADCC strove to overcome its development challenges, the threat from the minority apartheid regime of South Africa did not abate, and thus became the real obstacle to the achievement of the institutional objectives, as Pretoria continued with its destabilizing efforts. As international pressure continued to mount on Pretoria, it soon became clear to the apartheid leaders that it would be easier to achieve international tolerance than acceptance. In this regards, it intensified its destabilising efforts which it hoped would mount pressure on the neighbouring states to tolerate its domestic apartheid policies. In the pursuit of that policy, it employed both

military and economic measures in its relationship with its neighbours, especially the landlocked states that depend on its transportation facilities for their international trade transaction. The military aspect of the policy occasioned frequent military raids in the territories of its neighbours. For instance, the raid of December 9, 1982 in Maseru, Lesotho killed 42 people; the air raids of Mozambique in May 1983 killed six people, as there were other attacks in Botswana, Zimbabwe and Zambia territories in the 1980s. The attacks were aimed at destabilising the region in order to forestall its efforts at achieving political liberation and economic self-reliance, and coerce the international community to tolerate its policies and lessen the intensity of sanctions imposed on it. The destabilising policy was also championed on the premise of courting its free black states through economic sanctions and overtures. In this front, economic ties with its landlocked neighbours were intensified especially through the instrumentality of SACU. The dual policy of destabilisation was aimed at securing its neighbours as buffer to external threat, and also to divide the solidarity of the region which threatens its existence. It was also aimed at justifying the importance of the white minority rule in safeguarding Christianity and Western civilization, especially to the interest of its Western allies and local white population of South Africa. It was equally aimed at propagating apartheid as an accepted policy within South Africa, and that the opposition towards it emanated only from outside, especially from ANC bases. Similarly, the policy was geared towards the reduction of criticism against the regime from the neighbouring states that were constantly under Pretoria's attack (Hanlon, 1989).

From the foregoing, it is evident that SADCC and its predecessors made several efforts at aid mobilization, political liberation, and economic and infrastructural development, but the major threat to the actualization of its agenda was the destabilizing policies of the apartheid regime of South Africa. While the hostility from Pretoria was devastating and witnessed the destruction of some of its infrastructures and projects, it inadvertently contributed to the growth of the resilience of the states at championing the dismantling of the regime and the reduction of the

region's dependency on its facilities for economic survival. With the continued threat from Pretoria, SADCC member states intensified efforts at advancing their integration which they viewed as the remedy to their continued subjugation by the apartheid regime. That determination to end apartheid and the zeal to improve the region's integrative drive was instrumental to the enactment of various policies and programmes by the institution as will be highlighted later in this study.

3.3 SOUTHERN AFRICA DEVELOPMENT COMMUNITY (SADC)

Recognising the achievements and challenges confronting Southern Africa Development Coordination Conference (SADCC), the expectation from its citizens and international partners, coupled with the non-existence of a legal framework establishing the regional body, the member states resolved to give a legal backing to the body in the form of enacting a treaty of establishment. It was aimed at repositioning the organisation to embrace latest developments in the general polity of the region and to respond more appropriately to its target objectives. In pursuit of this ideal, at the Summit of Heads of States and Governments held in Windhoek, Namibia, a treaty establishing Southern Africa Development Community (SADC) as a successor to SADCC was signed on 17 August 1992 by the Heads of States and Governments of Angola, Lesotho, Botswana, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe.

3.3.1 SADC Objectives

The treaty seeks to promote regional actions that will improve the well-being of the people of the region through the integration and harmonisation of the regional economies and economic policies. It also aimed at utilizing regional instrument in mobilising resources to achieve rapid economic growth and development in the region thereby reducing poverty and enhancing the standard and quality of life of the people, as well as ensuring the development of technology and the protection of the environment. Through the participation of the citizens, SADC seeks to

promote good governance, promote and defend peace and security and protect the human rights of its citizens. It equally aims at employing policy frameworks to drive the progressive elimination of obstacles to the free movement of capital and labour, goods and services and the peoples of the region (SADC Treaty, 1992).

3.3.2 SADC Institutional Structures

SADC has moved from strength to strength and has undergone reforms in both its treaty of establishment and programmes of action. Some sections of the treaty have witnessed a number of amendments, including the 2001, 2007, 2008 and 2009 amendments. The original institutional structure of the organisation is located in Article 9, Chapter 5 of the treaty document and its functions provided for in Articles 10-16 of the treaty. With amendments, Figure 3.1 describes the SADC institutional structures and their functions.

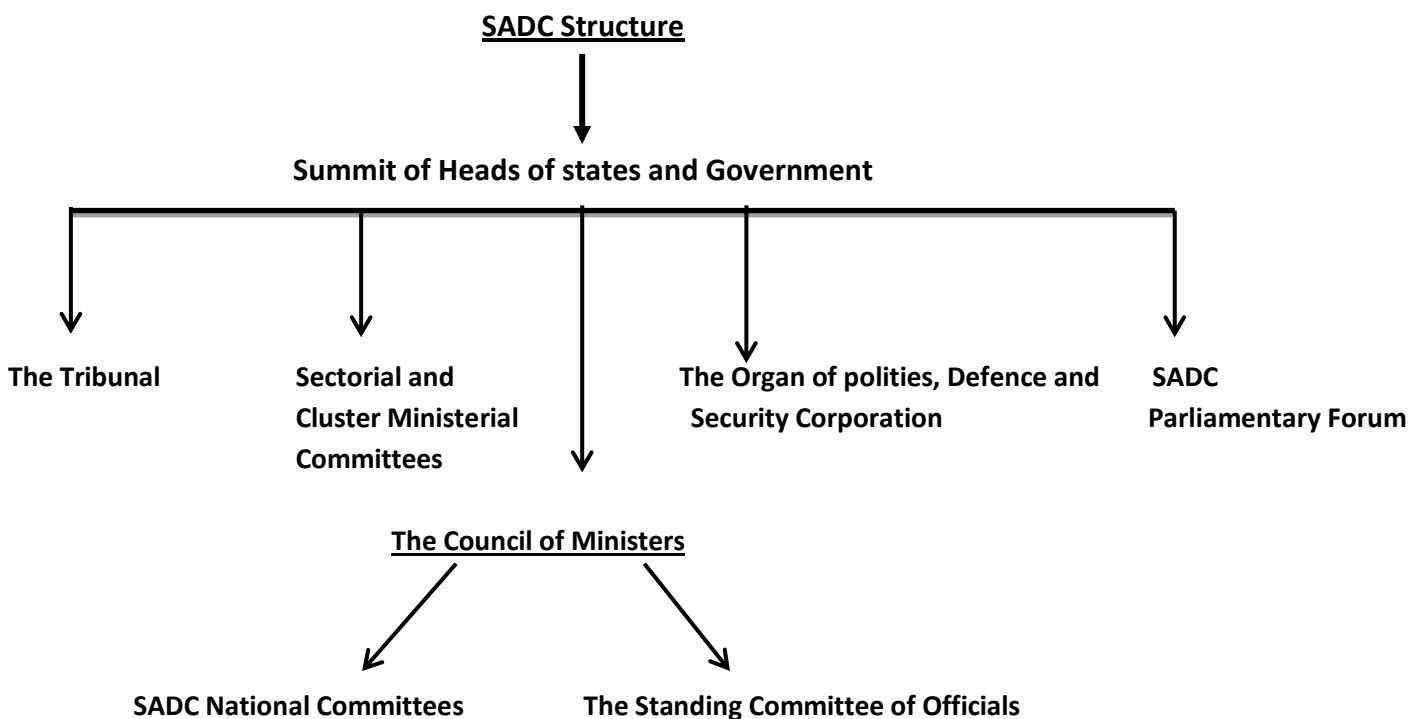


Figure 3.1 SADC Institutional Organogram

The Summits of Heads of States or Governments

The Summit consists of the Heads of States or Governments of member states. It serves as the final decision making organ of the organisation. It is charged with the responsibility of giving policy direction to the regional body. It adopts and amends the treaty of the organisation. It elects its chairman and deputy chairman on yearly rotational basis amongst member states. It meets once yearly and appoints the Executive Secretary and the judges of the Tribunal on the recommendation of the Council of Ministers. Its decision is by consensus. The chairman, together with the deputy, who assumes the chairmanship in the preceding year and the outgoing chairman form the Summit Troika. The Summit Troika functions as a steering committee between Summit meetings and facilitates the effective implementation of decisions.

The Organ of Politics, Defence and Security Cooperation

The organ is an institution with the responsibility of maintaining peace and security in SADC. It equally plays the role of ensuring political cooperation among member states and the harmonisation of the region's foreign policies. It is also responsible for the resolution of conflicts within the community. The Organ is headed by a serving Head of State or Government of the member states and operates a troika system. It reports to the Summit.

The Council of Ministers

The Council consists of Ministers of Economic Planning or Finance of SADC member states. It is directly responsible to the Summit, and is charged with the role of implementation of the policies of the organisation. It advises the Summit on policy and development of the organisation. It approves policies, defines and allocates sectoral programmes of SADC. It makes recommendation to the Summit on the appointment of the Secretariat's executive and Deputy

Secretaries. It meets at least once a year. It appoints its Chairperson and Deputy Chairperson on yearly rotational basis amongst its members. The decision of the Council is by consensus.

Sectoral and Cluster Ministerial Committees

The institution consists of member states' ministers of critical portfolios like trade, finance and investments, industry, agriculture and food; infrastructures and services, human development and gender issues, natural resources and environment, organ of politics, defence and security cooperation and other important sectors. They are charged with providing expert and policy guidance to the organisation through the secretariat.

The Standing Committee of Officials

The institution consists of Permanent Secretaries or officials of equivalent rank from economic planning or finance ministries of the member states. It serves in technical advisory capacity to the Council of Ministers. It reports to the Council and meets at least once in a year. Its decision is equally by consensus.

SADC National Committees

This is an institution established with the aim of ensuring that all member states participate effectively in SADC policies and programmes. It stipulates the setting up of SNCs (SADC National Committees) by each member state comprising of critical stakeholders of government, private and civil society membership. The composition of the SNCs must be in line with sectoral cluster already set up by the Directorates. The rationale is to ensure that stakeholders contribute at national levels to the formulation and execution of SADC policies and programmes. The national SNCs are linked to the SADC contact ministers through the national steering committees of the various sub-committees headed by a Chairperson.

The Secretariat

The secretariat is located at Gaborone, Botswana. It serves as the main executive and administrative organ of the organisation, and is charged with the responsibility of planning, management and implementation of SADC programmes approved by the Summit and the Council; and other general administrative functions of the organisation. It is headed by an Executive Secretary. The Executive Secretary is responsible for the preparation of SADC annual reports and budgets, and represents the organisation in diplomatic functions, and is appointed for single renewal four-year tenure by the Summit with the recommendation of the Council.

The Tribunal

The Windhoek based Tribunal is the supreme judicial body of SADC. It is constituted by the protocol approved by the Summit. The Summit with the recommendation of the Council appoints the Tribunal judges, of which Five are regular while the other five are drawn from the member states and serve mainly when the regular judge(s) is/are indisposed. The powers and procedures of the Tribunal are subject to the Summit's protocols. It serves in the interpretations of SADC treaty and the adjudication of disputes arising from the provisions of the treaty and its subsidiary instruments. It equally interprets and adjudicates any matter referred to it by the Summit or the Council. Its decisions are binding and enforced by the Summit.

SADC Parliamentary Forum

The parliamentary forum is a regional inter-parliamentary body drawing its membership from the members of the national parliament of SADC states. It was established on September 8, 1997 by the Summit. It is made of presiding officers and at least five members representing the national parliament of the member states. It is charged with the responsibility of contributing to SADC integration through legislation. It addresses and promotes issues like human rights,

gender equality, good governance democracy; peace and security building, regional economic cooperation through equity and mutual benefits and promoting the participation of non-governmental institutions in SADC activities. The parliament works with other organs of SADC in the overall interest of the region, but is not responsible to any other organ (SADC, 2012).

3.3.3 SADC Operational Challenges

Just as SADC principal officers like the Chairman of the Summit and the Executive Secretary are appointed on a rotational basis among the member states, other staffs of the various institutions of the organization are drawn from member states and International Cooperation Partners (ICPs). As highlighted in an interview with Kamidza (2015). There is a weakness in the employment of the SADC local staff where member states second an officer or officers that are under qualified or lack the necessary experience. The situation could also be influenced by political connection at home countries in the sense that if one is politically connected, they end up being seconded notwithstanding their weak qualification, experience, etc. By the way, for most SADC countries, the salaries for those seconded at SADC are much higher than those prevailing at home. They also have good benefits such as education, health, etc. In addition, they do not pay taxes for everything they buy or import as they receive monthly tax-return from the Botswana government. For the component of staff employed by the ICPs to manage or implement SADC linked programmes or projects, they are mostly experts with appropriate qualification, and have targets to accomplish. These are not linked in any way by recruitment processes in home countries. They are not subject to political control, etc. They are subject to different employment conditions and required to meet specific requirements.

From the two sets, quota system of staffing undermines the value of qualifications, experience, hardwork and freedom from political influence. These officers are employed under contracts that

run for about 5 years with provision for extension for another term of 5 years. There have been opinions that hardworking and experienced staff in this category should be allowed to serve the organisation till they are due for retirement. This was endorsed by the Council of Ministers in 2013, but is yet to be implemented. The implication of this is that the implementation of the regional agenda may suffer if the officer saddled with an important position lacks adequate vision and strategic dynamism to drive the regional agenda. In addition, the Secretariat lacks the power, authority and resources necessary in carrying out its integration mandates. Under the sector co-ordinating arrangement, the ability of member states' units to discharge their constituted roles was basically a national issue that SADC secretariat has no control. Similarly, some Programmes of Actions were devoid of regional focus and were too broad, focusing on national issues. Equally, over reliance on foreign aid for the implementation of regional programmes slows down the process of goal actualization, as the required aids are not regularly available. Also, findings have revealed that political divisions among member states had contributed to inaction and lack of political will in driving the regional agenda.

3.3.4 SADC Sectoral Programmes Coordination

As highlighted previously, Southern African Development Community (SADC) is a successor body to Southern African Development Coordination Conference (SADCC). With the establishment of SADC in 1992, it inherited the structures and programmes of its predecessor. In the area of sectoral programmes, and with the end of white minority rule in the region, which was climaxed with the dismantling of apartheid regime in South Africa in 1994, SADC admitted South Africa and it became involved in the programmes and policies of the organisation. Thus, the following are the member states with their sectoral programmes of coordination:

- Angola: Energy commission.
- Botswana: Agricultural research, Livestock production and Disease control.

- Lesotho: Environment, Land management and Water.
- Malawi: Inland fisheries, Forestry and Wildlife.
- Mauritius: Tourism.
- Mozambique: Culture, Information, Sport and the Transport and Communication (SATTCC).
- Namibia: Marine fisheries and resources, and Legal affairs.
- South Africa: Finance, Investment and Health.
- Swaziland: Human resources development.
- Tanzania: Industry and Trade.
- Zambia: Employment, Labour and Mining.
- Zimbabwe: Crop production, Food, Agriculture and Natural resources.

The SADC development programme anchored on state-to-state coordination continued until 2001 when it was restructured and centralised at the Secretariat. The restructure encourages states to pursue development programmes in line with SADC's Regional Indicative Strategic Development Plan (RISDP) under the policy guidance of Integrated Ministerial Committee, later renamed Sectoral and Cluster Ministerial Committees (South Africa Department of International Relations).

3.4 CONCLUSION

The chapter describes the evolutionary trend taken by SADC to assume its present position as a regional multi-purpose inter-governmental organisation. Its drive towards achieving total political liberation of the Southern Africa region was effectively accomplished with the dismantling of apartheid regime in South Africa in 1994. With that feat, its objective of advancing the economies of the region through economic cooperation and integration became its utmost priority. In this vein, it has adopted a number of measures to drive that vision. The details of some of these frameworks were elaborately discussed in the next chapter of the study. That notwithstanding, the shift from anti-colonial struggle to engagement on economic, security and governance issues has presented the institution with new sets of challenges, just as internal competition and rivalry has as well brought its own constraints. Equally in this realm of contemporary issues and challenges faced by SADC, is the influence of external factors on its integration agenda. The regional institution is no longer an infant body; thus, its doors are now open to the dynamics of international and regional socio-economic and political factors. One such external influence is the impact of China's economic policy on the region's integrative plan. This is the topical issue of this study, and the research findings on it are effectively analysed in the subsequent chapters of this study.

CHAPTER FOUR

SADC INTRA-REGIONAL COOPERATION AND INTEGRATION

4.0 Introduction

The essence of intra-regional cooperation in any given functional integration engagement creates opportunities for the fostering of closer interaction among the integrating units at both governmental levels and among the citizens of the region. Among other factors, it also helps in the development of regional conflict resolution mechanisms, as conflicts and collaborations are integral parts of interaction and must occur in the course of the engagement. Consequently, this chapter critically evaluated the SADC integration process, relying on its objectives as yardsticks. It highlighted the achievements and challenges faced by the organisation in its regional integration drive. Following the SADC's aims and objectives, the appraisal focused on the following issues:

- Regional integration in the context of democracy, security and peace building.
- Integration through intra-regional trade and cross-border cooperation.
- Regional efforts at international relations and foreign policy harmonisation.
- Regional economic development through industrialisation and poverty reduction.

4.1 Integration in the Context of Democracy, Security and Peace Building

The end of apartheid regime in South Africa in 1994 marked the beginning of a new era in the socio-political and economic themes of the Southern Africa region. It did not only usher in popular government in Pretoria, but also officially ended systemic racial discrimination as state policy in the region. In economic and development sectors, it greatly influenced the works of the regional body, SADC. Before this period, SADC's main policy objective was geared towards the dismantling of the white minority rule and its devastating influence in the region. As noted in the previous chapter, the apartheid regime in South Africa had adopted a deliberate policy of ensuring its continued dominance of the Southern African region through ferocious sabotage against its neighbours and other subversive actions which necessitated the SADC members' twin approach of supporting arms struggle against the minority rule and involving development measures aimed at reducing their dependency on the regime. Thus, as Landsberg and Mackay (2004) stated:

..though apartheid was confined to the borders of the Republic of South Africa, its impact was felt across the region. For, as it were, the apartheid state did not just destabilise South Africa's neighbours, but also other countries of Southern Africa, which have a common history and geography and, thus, common future.

However, with the end of apartheid, South Africa was no longer considered as the enemy of the region, but a partner in progress. South Africa joined SADC in 1994 and has since remained active in its integrative efforts.

In recognition of the essence of democracy and good governance in its overall development objective, the regional body has adopted a number of measures to promote democracy and good governance across the region. One of the immediate resolve was to reform its institutions, agencies and policy master plan, and reposition them for more effective delivery. The

establishment of the SADC's Organ of Politics, Defence and Security Cooperation in 1996 was borne out of the need to achieve peace, stability and security which are major ingredients for sustainable socio-economic and democratic development in the region. In light of this, SADC does not only mediate in conflicts within member states, but also applies other peace-building mechanisms like election monitoring among its members (Monikes, 2014). The efforts have spurred the institution into getting involved in the restoration of democratic process in Lesotho in 2002, mediation in Zimbabwe land reform and political crises, and Angola conflict (Chissano, 2002). In recent times, the regional organisation has continued to be involved in the resolution of conflicts across the region. It has shown commitment to addressing the latest political instability in DRC which resulted from M23 Rebels invasion and capture of the city of Goma in 2012. It applied both diplomatic negotiation and deployment of troops to combat the rebels, with support from the African Union and the United Nations Organisation. The restoration of normalcy in Lesotho following the alleged military coup on 30th August, 2014 was attributed to SADC active engagement in maintaining political stability in the region (Sikuka, 2014).

Notwithstanding the efforts made by the regional body in entrenching democracy in the region through the adoption of various forms of conflict resolution mechanisms, the region is far from being stable as some of the political crises mentioned above have not yet been permanently resolved. Rebel activities in the DRC have not completely ceased, while Lesotho's political jam has continued to recall, just as Zimbabwe and Madagascar are still hotbeds, giving the concern that more commitments need to be made before rule of law through democratic practice devoid of political instability could be enthroned in the region.

4.2 Integration through Intra-Regional Trade and Cross-Border Cooperation

The essence of robust intra-regional trade relations among states in functional integrative arrangement cannot be overemphasised. It most especially ensures that gradual socio-economic cooperation builds regional understanding necessary for spill-over into further cooperation among the states involved. Thus, recognising the importance of this sector in its integration agenda, SADC has adopted a number of policies aimed at achieving intra-regional trade liberalisation and other forms of cross-border cooperation. Among these policies are the 1996 Trade Protocol, Protocol on the Facilitation of Movement of Persons, Protocol on Finance and Investment, Free Trade Area, and Trade in Service Protocol.

The 1996 Trade Protocol:

The protocol reached in 2006 forms part of the regional initiatives at deepening intra-regional trade and cooperation. It aims at liberalising trade within the region through improved regional manufacturing output that would be rooted on sound regional economic policies that support economic diversification and industrialisation. It also hopes to utilize the measures to improve the region's attractiveness to foreign investments. Creation of regional FTA was part of the cardinal objectives of the protocol. To actualise these objectives, several issues and factors were considered. These include the elimination of barriers to intra-SADC trade, elimination of import and export duties among member states, non-tariff barriers, qualitative import and export restriction, general and security exceptions, and national treatment. Similarly, various issues that relate to custom procedures like Rules of Origin, Cooperation in custom matters, Protection of infant industries, Anti-dumping measures; and other issues like Trade in Service, Intellectual property rights, Competition policy, Free Trade Agreement were all taken into consideration. (SADC: Trade Protocol, 1996).

Protocol on the Facilitation of Movement of Persons:

The regional efforts at utilizing policy frameworks at liberalising intra-trade and other forms of cross-border cooperation were also undertaken in the area of movement of persons within the region. In this regard, the organisation adopted a policy termed “Protocol on the Facilitation of Movement of Persons” on the 18th of August, 2005 at Gaborone, Botswana. The protocol allows for 90 days visit without visa for all *bona fide* citizens of its member states across the region. The protocol aims to develop policies to progressively eliminate obstacles to movement of persons within the states of the region in order to utilize it in strengthening of cross-border cooperation, especially as it relates to intra-regional economic activities. (SADC: Protocol on the Facilitation of Movement of Persons, 2005).

Protocol on Finance and Investment:

Pursuant to its regional project and with focus of economic growth, balanced intra-regional development, compatibility among national and regional policies geared towards the eradication of obstacles to free movement of Capital, Labour, goods and Services, and to promote accelerated growth, investment and employment within SADC; and recognising the link between investment and trade and the need for greater regional cooperation in positioning the region as investment destination, SADC leaders met in Maseru, Lesotho on August 18th, 2006 and adopted a protocol on finance and investment. The protocol aims at harmonising the financial and investment policies of the member State in order to align them with SADC objectives of advancing regional economic development through cross-border investments and other financial transactions with the ultimate objective of achieving sustainable economic development and the elimination of poverty through economic diversification and the maintenance of macroeconomic stability and convergence within the region, cooperation on information, communication and

banking system and in the stock market transactions.(SADC: Protocol on Finance and Investment, 2006).

SADC Free Trade Area (FTA):

The success made in the 1996 Trade Protocol which took effect from January, 2000 was an encouragement needed for the establishment of SADC FTA launched on August, 2008. It forms part of the regional efforts at enhancing integration in Southern Africa. It was established by Eleven out of Fifteen SADC member states in 2008, and now has a total of twelve members, with DRC and Seychelles in the process of joining. The FTA stipulates import free tariff on about 85% trade on goods originating within the members states. (Mbola, 2008).

The trade agreement has made some in-road in advancing the region's intra-trade and cross-border cooperation. However, as highlighted in the challenges confronting SADC, efforts at liberalising trade in the region are yet to yield the desired results because of some fundamental constraints. In view of the challenges, notwithstanding the optimism that greeted the 1996 Trade policy framework aimed at progressing from FTA to Custom Union in 2010, the target could not be actualised and further progress in that line has been bedevilled with series of postponements occasioned by sundry issues. Accordingly, in the Activity Report of SADC Secretariat, 2011–2012, the Executive Secretary noted that SADC witnessed increased regional intra-trade volume in the implementation of its FTA, but still added that the trade policy is still being hampered by a number of issues. The Secretariat observed that lack of diversification in the SADC manufacturing sector is one of the major obstacles confronting the consolidation of the policy, highlighting that intra-regional trade within the period was mainly on unprocessed agricultural products, food manufacturing, textile and clothing; accounting for about 98% of the total volume. It also identified that intra-trade export within the region mainly originates from South Africa. The report acknowledged that not much had been done on its match towards the

launching of Custom Union in the region, and recognised that efforts needed to be intensified in order for the region to reap the full benefits of its FTA. It outlined such challenges as non-implementation of regional trade instruments by member states, overlapping membership and inadequate resources as the factors militating against the consolidation of the FTA and its progress to CU. (SADC ES Report, 2011–2012).

Trade in Service Protocol:

One of the measures aimed at addressing the challenges faced by the regional organisation in its integration agenda, especially on intra-trade and cross-border cooperation was the adoption of the Trade in Service Protocol of 2012. The policy framework was set up to progressively liberalise intra-regional trade in service sectors of the regional economies on the basis of equity, balance and mutual benefit with a view to creating a single market for trade in service in the region. It equally aims at encouraging suitable economic growth and development that will lead to the eradication of poverty through economic diversification that enhances the capacity and competitiveness of services sectors of member states. To actualise the objectives, agreements were reached on sundry issues including Most Favoured Nation Treatment, Right to Regulate, Domestic Regulation, Mutual Recognition, Transparency, General Exemption, Subsidies, Government Procurement, Market Access, Temporary Movement of Natural Person, National Treatment, Progressive Trade Liberalisation, Monopolies and Exclusive Service Supplies, Waiver obligations, etc. (SADC: Trade in Services Protocol, 2012).

The adoption and the implementation of the protocols were expected to advance SADC intra-trade liberalisation and other cross-border functional cooperation and improve its overall integration agenda. However, findings revealed that the actualization of the region's intra-trade

and other forms of cross-border cooperation are been confronted with challenges arising from Non-Tariff Barriers (NTBs).

As listed below, SADC is still faced with some daunting challenges that make the full implementation of the agreements very frustrating, thereby inhibiting it from reaping the benefits expected from the protocols. Meanwhile, some of the NTBs include:

- Customs procedures and documentation
- Import bans/prohibitions
- Import and export licensing/permits
- Import and export quotas,
- Challenges arising from Communication principally language barriers (The region has three main official languages of English, Portuguese and French, all inherited from the European Colonizers.),
- Problems related to Transport networks and system,
- Lack of market information,
- Inadequate competence and facilities at various borders to administer the regional trade and cooperation agreements,
- Lack of homogeny between member states in the appliance of customs procedures, and
- Imposition of rigid visa stipulations by some member states, especially South Africa on nationals of other SADC member states.

Meanwhile, there is detailed discussion of the broad challenges facing SADC in the implementation of its intra-regional cooperation in the next sub-section.

4.3 Challenges Facing SADC Intra-Regional Trade and Cross-Border Cooperation

As lofty as the policy frameworks appear, it is instructive to note that not much has been achieved, especially in the area of intra-regional trade and attraction of Foreign Direct Investment (FDI). While the region has continued to make efforts to improve its intra-regional trade, the figure emanating from that sector is not encouraging. In agreement with the research findings on this issue, Sandrey (2013) having noted the difficulty in obtaining trade figure for the region, posited that “intra-SADC trade is low (and not necessarily increasing).” Sandrey (2013) also emphasised that South Africa trade dominates both the overall SADC and intra-SADC trades. Sandrey (2013) stressed further that South Africa and intra-SADC exports and imports for 2010 were 68.1% and 14.8%, respectively; and that though SADC FTA has not covered the entire region, it is making solid progress due largely to the Southern Africa Custom Union, SACU (a foremost regional economic community in the region, comprised of South Africa, Namibia, Botswana, Lesotho and Swaziland) increased free tariff access to other SADC member states.

Nonetheless, findings reveal that intra-regional in the region is very low and therefore lacks the propensity to drive formidable regional integration. In agreement with this position, while critiquing the state of integration in the SADC region, Afong (2015) explained that intra-regional economic relation within SADC is almost non-existing owing to low level of intra-trade that is consequent of low industrial capacity of the region. She further argued that the situation has made intra-regional economic relation very inadequate for effective cross-border cooperation. As expected, with low level of intra-regional economic relations, especially in the areas of trade and cross-border FDI, the inadequacy makes SADC general integration non-satisfactory since

effective regional integration takes root in socio-economic interactions. Similarly, manufacturing sector of SADC economies has impacted on its intra-regional economic relation as the low manufacturing output of the region has adversely affected intra trade relations in the region, while the economies mostly compete on same comparative advantage that relies on primary products of agricultural and mineral resources. The situation as highlighted above has given vent to such opinion that SADC is far from transforming into a formidable economic community. Sharing the same line of thought, Nnaeme (2015) was of the opinion that SADC is not a true regional economic community but a medium through which South Africa imposes her national interest at the expense of numerous poor and weak members. In other words, he argued that SADC has seemingly become an imperial footprint of South Africa in the region. He opined that the inadequacy of intra-regional economic relations within the region has made its regional integration ineffective, and thus the pursuit of varying national interests by the member states. In this regard, he holds that smaller economies like Malawi and Mozambique arguably do not benefit as much as South Africa in the SADC integration agenda. Also, he emphasised that Manufacturing/industrial sector of SADC economies has not impacted on its intra-regional economic relations as South Africa is developing to the detriment of cheap labour from her neighbouring countries. Similarly, that the benefits of such economic communities only impact on those countries that own the means of production and advanced industrial base. Consequently, Nnaeme (2015) averred that South Africa has taken the advantage of bigger market created by SADC to expand its export market in the region.

From the foregoing, it is instructive to also note that the uneven distribution of the benefits of the regional economic relations equally has root on the infrastructural and general development gaps within the region. As pointed out by Isike (2015), the regional economic relationship is inadequate for effective regional integration because of structural, political and economic differences between SADC countries, which militate against effective regional integration. He

emphasised that the member states have different levels of democratic consolidation, industrialization, economic growth and development which favour industrialized and big economies such as South Africa against the rest. He also argued that the tendency of South Africa to preach liberalization of the SADC economy whilst closing its own economy through restrictive immigration policies is a major factor which works against effective integration in the region barring other factors; leading to non-satisfactory realisation of general integration in the region. He further asserted that there could be better integration if there was more sincerity on the part of the bigger economies such as South Africa. Similarly, Isike (2015) contended that there is the need for the regional pursuit of social integration at the people- people levels in order to be able to overcome the social barriers that economic integration could and does pose. He further held that industrial sector of SADC economies has not impacted positively on its intra-regional economic relations because at some levels, the industrial sector of stronger economies such as South Africa and Botswana has absorbed migrant workers from poorer SADC countries and thus created a situation whereby regional migration is mostly towards the stronger economies and has contributed to resentment that such migrants often faced in their host nations. However, the aspect of integration which encourages freedom of movement of persons in the region is commendable but as hinted earlier, the industrial sector of SADC economies has not positively supported its intra-regional economic relations and has encouraged the influx of foreign manufactured goods, especially from China into the regional markets and has contributed greatly in the decline of the manufacturing potential of the region, especially the textile industries since the local economies lack the advantages of competing for market shares with the foreign imported products that have the edge in infrastructural, technology and labour cost; thus, creating massive unemployment in the region. The situation has created an outcome in which SADC member states are now prone to pursuing individual interests, not minding their adverse effects on the regional goals. In agreement with this position, Zvaita (2015) averred that

the regional economic ties are no longer strong and effective as they used to be owing to the fact that most countries in the SADC region focused more on nationally driven economic policies than regional, even though they have all intensified bilateral relation with China in their Look East Economic strategy, thereby worsening the poor state of manufacturing output in the region, as Chinese finished products continue to flood the regional markets.

In view of the above, it has been revealed that the regional organisation is dominated more by political consideration than the economic, social and cultural. This has been attributed to the fact that the organisation was transformed from the Frontline States with the objective of liberating the region from the clutches of colonialism and institutionalised racism. So, political consideration seems to be prioritized than other aspects, resulting to situation in which economic integration has not gone beyond the Free Trade mark. Member states like South Africa want a deeper integration that revolves around SACU. As a result, while the region moves in line with its agreed targets, some economies are not willing to move faster. Findings revealed that South Africa is not keenly interested in the regional integration because her industries have the capacity to enter any economy in Africa. Its economy has a better advantage of penetrating or even dominating other regional economies. Similarly, Angola, another big economy in the region is not interested in even joining the SADC FTA, while Zimbabwe with all its immense economic potentials is limping due to her political instability. As a result, the pace of economic based integration in the region is very slow. People seem to be excluded from the process and cultural integration is not being prioritized. Similarly, the manufacturing sector of SADC economies has not really impacted positively on its intra-regional economic relations because apart from South Africa, most of the economies are still primary product dominated. So, the economies are struggling to compete and competition is on the export of raw materials outside the region with limited value addition. At the same time, most of the regional economies have

been opened to intense international competition, thereby allowing for the influx of cheap manufactured goods to the region that worsens the employment situation.

Notwithstanding the progress made so far by SADC in its pursuit of regional trade liberalisation, some member states like Angola, Seychelles and Democratic Republic of Congo are still outside SADC FTA. As negative as their non-membership of the FTA might be to the overall success of the regional intra-trade and cross-border cooperation, it is also evident that member states in the trade agreement more often than not deliberately violate the terms of the agreement. As indicated by Tengur (2003), "...there are some acute problems among the members of SADC who are ignoring their own rules. Certain member states are not complying with basic obligations in trade protocol; there has been violation of applicable tariff schedules, resulting in the imposition of sur-taxes and levies on goods imported from other state parties. There is also a presence of discriminatory treatment and other trade related complaints like import bans, as health standards have allegedly not been complied with" Tengur (2003) further contended that the situation has put doubt on member states, the desirability of entering into another trade agreement when the FTA has not been effectively implemented.

Lending credence to the notion that SADC FTA has not been effectively implemented, and poses a challenge for the establishment of a Custom Union, (CU) Nkoana-Mashabane (2012), argued that the main obstacle before SADC CU is the overlapping membership of the SADC states to different RECs. She stressed that except for Angola and Mozambique, almost all the SADC members belong to different CUs. She further highlighted that it is quite difficult to pursue a CU by the regional organisation without adequately addressing the issue of overlapping membership. She also identified the dispute over rule of origin as another constraint before the effective implementation of SADC FTA. She further contended that the priority of SADC should be on the consolidation of FTA by implementing the 15 point agreement which centres on the review of rules of origin, completion of tariff phase down and removal of non-tariff barriers. In

addition, she strongly advised that the issue of overlapping membership should be resolved before the region establishes Custom Union. Nkoana-Mashabane's assertion is in agreement with Kalenga (2012) who emphasised that the major challenge facing SADC in its integration drive is the overlapping membership of its member states to different economic integration initiatives. He argued that the constraint in this practice has manifested in the inability of the regional bloc to effectively deal with the issue of rule of origin that has contributed to the situation whereby member states while belonging to SADC FTA still impose tariff and other forms of intra-trade barriers on products from other member states, and other violations of treaty agreements.

It is in place to argue that though SADC has made tremendous efforts at advancing intra-trade liberalisation, issues like overlapping membership to different regional economic integration blocs, violation of its rules by member states and their resultant consequences like disputes over rule of origin and other trade liberalisation barriers have continued to hamper its regional integration objectives. For instance, there is growing tension among SADC members with regards to the imposition of surtaxes and sometimes outright ban on products by some members on products coming from other FTA state parties. In 2013, Zimbabwe threatened to review its trade agreement with regional countries, especially South Africa, which it accused of violating the FTA rule of origin by exporting cheap third part products from Asia with South African trademarks to its market (SAFPI: 2013). In August 2014, South African maker of MAQ, Bliss brands stopped exporting its products to Zimbabwe, complaining that the Country had increased surtax on the products from 10% to 40% without prior notice. (Chronicle: 2014). Also in 2014, Zimbabwe banned the importation of fruits and vegetables to its shores. The ban affected South African fruits and vegetable export worth at least US\$1million. The ban, according to Zimbabwe, was necessary following the increased in its local production of the commodities. (African News: 2014).

In the same vein, South Africa has been accused of using non-tariff barriers to stifle SADC intra-regional trade. Accordingly, Fundanga (2014) argued that South Africa enjoys economic fortune by exporting its products across SADC region, but in return, it places a number of non-tariff barriers on agricultural products from other SADC members. He specifically accused South Africa of preventing the entry of Zambian beans to its market even when the product is of higher quality than the South African beans. He stressed that the negative practice of South African against Zambia comes in place when the former has benefited hugely from the intra-regional trade both in the area of mining equipment supplies and exportation of consumer products. He was of the opinion that the expansion of SADC intra-regional trade depends on how South Africa opens its market to products of other state parties.

Meanwhile, though more commitment is expected in the utilization of trade and FDI in the promotion of the regional cross-border cooperation, the gradual growth of cross-border investment especially from South Africa is a sign of hope that if concerted efforts are championed in driving the integration agenda, the region has the potential to employ economic interaction in bridging cross-border difference. Sharing the same opinion on the issue of FDI, Mlambo (2005) posited that the end of apartheid regime in South Africa in 1994 ushered increased inflow of FDI to the region (particularly, South Africa). Mlambo (2005) pointed out that FDI inflow to the region increased from annual average of US\$660 million between 1985 and 1995 to US\$5.9 billion between 2000 and 2004. However, Mlambo (2005) stressed that despite some policy formulations taken by various states in the region, the trend of FDI inflow shows that the figure still remained low and concentrated mainly on the regional large economies like South Africa. Mlambo (2005) argued that the small size of some of the regional economies; high administrative barriers, inadequate physical infrastructures; weak financial system and growing perception of corruption are some of the obstacles to the growth of the FDI inflow to the region.

Meanwhile, in recognition of the inputs already applied, achievements and constraints, SADC acknowledged that since year 2000 when the organisation began the implementation of its Trade Protocol, intra-trade has greatly increased with an estimation of about US\$13.2 billion in 2000 to about US\$34 billion in 2009, and that all but three member states are still outside its FTA launched in 2008. On CU, the regional body stressed that while the establishment of regional custom union is still a work in progress; some progress has been made in the overall regional cooperation on custom and trade; pointing at the Sugar Agreement that allows duty free export of surplus sugar production from other SADC member states to Southern Africa Custom Union (Botswana, Lesotho, Namibia, South Africa and Swaziland) members. It highlighted that obstacles facing it in the establishment of CU are mainly derivable from the complexity of harmonising the FTA member states individual tariff policies into a Common External Tariff (CET) regime. The regional body set out to progress from FTA and CU to Common Market (CM) to Monetary Union (MU), and to Single Currency (SC) in its functional integration agenda. It recognises that its agenda of progressing in its integration milestones depends on how it tackles the challenges posed by the FTA and CU implementations being confronted with the issue of rules of origin. As regards to Monetary Union, it identified challenges posed by human capacity and funding as the militating factors against the harmonisation of the banking sector. In the area of Single Currency, it highlighted that issue of overlapping membership of its member states to various custom unions poses the greatest challenge to the actualisation of the objective in this sector and other integration milestones of the organisation. (SADC: 2012).

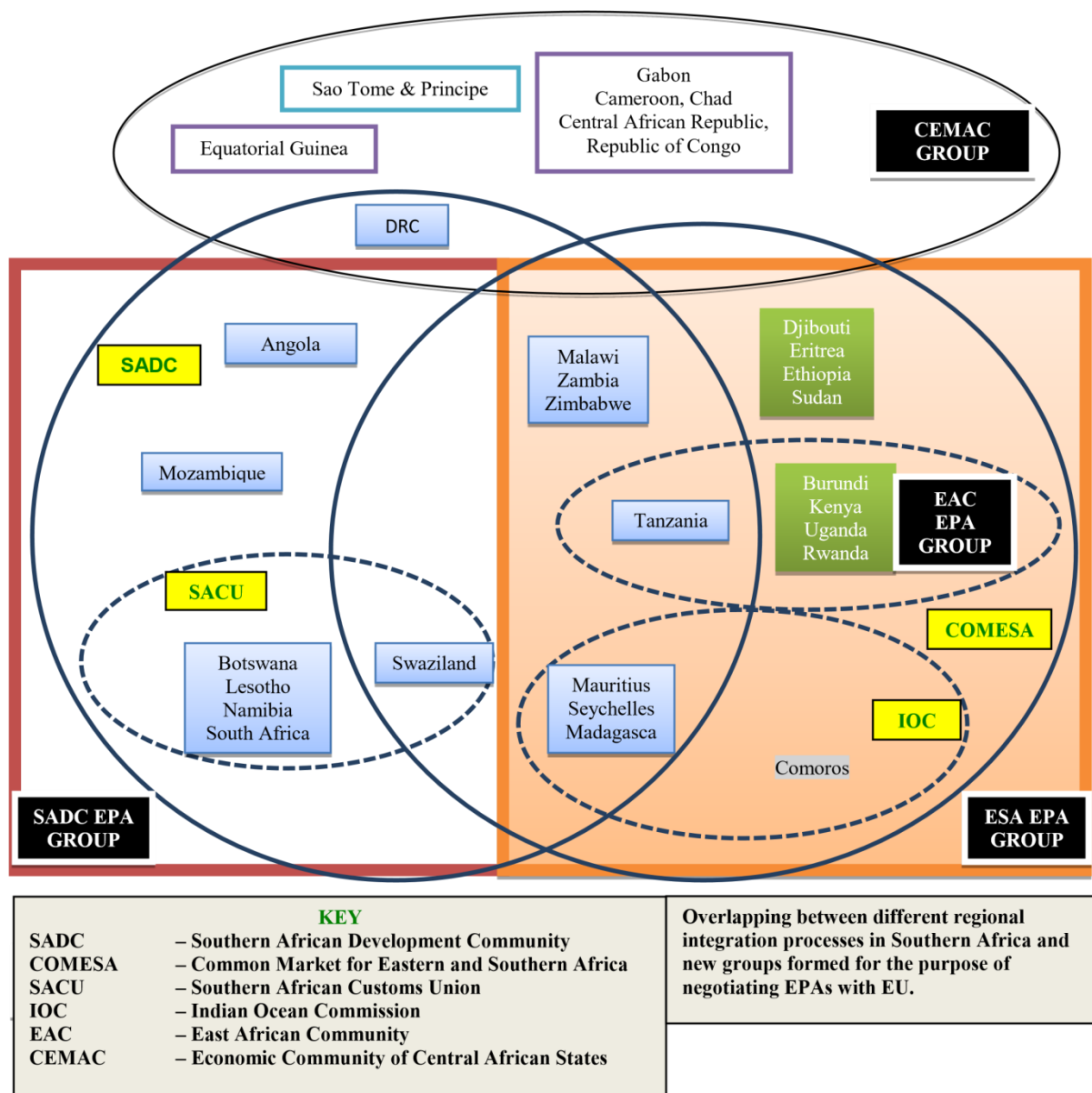


Figure 4.1: Diagram showing overlapping of membership by SADC states to different RECs (Kamidza, 2015)

In the meantime, among the above highlighted issues facing SADC economic integration, low industrial output has been identified as the monster behind the myriad of challenges facing SADC in its intra-trade and cross-border cooperation. In this regard, the non-existence of comparative advantage and low level of diversification have been identified as obstacles to improved regional trade integration in Southern Africa. In line with this position, Chauvin and Gaulier (2002) claimed that the situation is the result of inadequacy in the manufacturing sector

in the region and the supply of homogenous primary products for export. They submitted that the combination of the factors with poor transport infrastructure network has impeded intra-trade cooperation in the region. They stressed that increased intra-regional trade among SADC countries would imply either the opening of the South African market, a changing of specialisation of SADC countries, or the reduction of protection on sensitive goods. The net result would be that South Africa would concentrate on the production of high quality products and import middle and low range quality products from other SADC members. The effects of low industrial production in the region are very devastating to the integration agenda of the institution. Against this backdrop, Diakanyo (2008), emphasised that trade liberalisation which is the thrust of SADC FTA would create opportunities for sustainable economic growth for the region if it is properly harnessed. He argued that the inability of the states of the region to effectively expand their export to the developed economies that are strongly protected by their comparative advantages, especially in agricultural and manufacturing sectors, and the policy objectives of the international financial institutions such as World Bank and IMF that are geared towards the protection and pursuit of the interests of the developed Western states in which they operate sometimes by prescribing economic measures to the developing countries that end up strangling their growth to the advantage of the already developed World makes a case for regional initiative in economic development. Also, that such inter-play of international political economy more often than not makes the developing nations dumping grounds for the industrial products from the advanced countries and adversely devastate their economies by creating high inflation, unemployment and dysfunctional market, and have made the call for SADC regional trade liberalisation more imperative. However, to go beyond theorization and achieve meaningful regional trade liberalisation and its attendant benefits, Diakanyo (2008) asserted that there must be high level maturity in the individual economies of the region, sound fiscal and monetary discipline, financial sector stability and the reduction in unemployment level.

Reflecting on these necessary factors, he argues that the high percentages of the SADC regional economies are still lagging behind. He therefore emphasised that the greatest challenge facing the smooth implementation of SADC FTA is low level of industrialization, and that it is detrimental to improved intra-regional trade and economic growth in the region. He also advised that the regional bloc should carefully evaluate their various individual agreements with economies outside the region to avoid a situation whereby the consequences of such bilateral agreements could pose threats to the implementation of the regional integration objectives. Similarly, notwithstanding the relative success made by SADC FTA in championing regional trade liberalisation, it has been observed that intra-trade relations in the region is still very low, while the regional economies are characterised by high concentration on the production of primary products for export with little value addition. The situation according to Tax (2014) affects the regional economies and its intra-trade policies. Tax however emphasised that the regional industrialisation strategy must recognise the essence of regional and global values chain, and must strike a balance between industrialisation and trade liberalisation in order to reduce the influx of cheap products from outside the region to its market. She also argued that the regional industrialisation efforts should be linked to investment in infrastructure development, including skill development, investment in research and technical capacity development. In addition, she contended that the regional industrialisation strategy must be tied to peace and security building without which the environment might not be conducive for the implementation of the regional policies.

In concurrence with the finding that improved industrial manufacturing has the key to unlock the regional potentials of enhanced cross-border economic cooperation and integration, Mbewe and Van Renen (2011) decried that despite the implementation of SADC trade protocol and FTA, and the enlisting of 85% of the regional products from the FTA member states duty free, little

has been achieved in reaping the full benefits of the free trade in the region. They ascribed the low volume of intra-trade in the region as the consequence of three challenges that include:

- Non-diversification of industrial base.
- Inadequate infrastructure to support trade in goods, and
- Prevalence of non-tariff barriers.

They further hold that the solution to the challenges lies in the adoption of regional industrial policy cooperation framework that would enable it to reap the gains of regional open market by expanding and diversifying value-added production in the region. They argued that unless efforts are made to improve the industrial production capacity of the region through concerted regional framework, the envisioned gains of the tripartite FTA between COMESA, EAC and SADC would remain a pipe dream while economic polarization in the region would persist. They stressed that by adopting regional economic cooperation as a vehicle for integration in the region, the production capacity of the region would improve and be useful in its access to the global market and other international preferential markets of the USA and EU through AGOA, EPA, and Cotonou Agreement. They equally emphasised that the regional economic cooperation should be implemented with cross-border infrastructure development in some sectors that would be based on value chain that serves the regional needs and are linked with global chain of production as well. They also contended that such policy implementation would create avenue for the transfer of production skills to the region. They were also of the opinion that the region could use the SACU corridor as an experimental stage in which its success would diffuse to the entire region. They believed that this could create opportunity for increased export production in the region, as well as simplifying the factors of production and cross-border movement of goods and services. They stressed that the region could use sectors such as agriculture, agro-processing,

livestock, clothing and textile, and tourism to kick-start the process as they possess potentials for regional comparative advantage.

While appraising the SADC 2014 Summit's policy initiative which centres on enhancing intra-regional trade and economic development through the intensification of industrial development in the region, Cronje (2014) commended the regional focus which recognises skill development as a vital component of industrialisation, but also stressed that the region must ensure that standardization and harmonization of education and training systems are included in the Protocols on Education and Training. Also, he opined that the terms of previous policy frameworks such as the Protocol on Trade in Services and the Facilitation of Movement of persons must be implemented in order to allow for mobility of workforce within the region with reduced difficulty.

Having struggled to resolve some of the challenges facing SADC intra-regional trade and other forms of cross-border cooperation, and the determination to create bigger market for sustainable intra-regional cooperation, it became necessary for SADC to engage other neighbouring RECs for meaningful cooperation. In the pursuit of this, SADC leaders met with the leadership of Common Market for East and Southern Africa (COMESA) and East African Community (EAC) on 22nd October, 2008 in Kampala, Uganda. The leaders adopted a Memorandum of Understanding on Regional Cooperation and Integration among COMESA, EAC and SADC. The parties resolved to promote mutual beneficial cooperation in the areas of common development programmes, trade liberalisation, joint infrastructural development and financing; to develop common transportation and communication programmes; and to facilitate the movement of business persons across borders. On the issue of trade and investment policy harmonisation, the tripartite body agreed to establish a FTA with the aim of enhancing inter-REC economic cooperation and cooperation with multilateral/bilateral partners, and to coordinate negotiation on multilateral issues even outside players. Equally, it has the objective of

advancing the economies of the member states through industrialisation and improved intra-regional investment. To drive the tripartite agenda, the group established the following structures:

- Tripartite Summit of Heads of State or Government.
- Tripartite Council of Ministers.
- Tripartite Sectoral Ministerial Committees on Trade, Finance, Customs, Economic Matters, Home/Internal Affairs, Infrastructure; and Legal Affairs.
- Tripartite Committees of senior Officials and Experts
- Tripartite Task Force of the Secretariats of the three RECs. (COMESA, EAC and SADC MoU, 2008).

In pursuing the tripartite objectives, a declaration launching the negotiation for the establishment of the FTA was adopted on 12th of June 2011 by the three RECs. The Declaration adopted a two-phased negotiation towards the launching of tripartite FTA. While the first phase focused on trade in goods, movement of business persons, the second phase covered the built-in agenda in services and trade related area (Tripartite Declaration, 2011).

The Tripartite negotiation envisages the establishment of FTA on tariff, quota-free, exemption-free platform by integrating the existing FTAs of the three RECs. It estimates to increase the value of export among the 26 member states from US\$7 billion in 2000 to US\$27 in 2008 and imports from US\$9 billion in 2000 to US\$32 billion in 2008 (COMESA, 2009).

4.4 INTEGRATION IN THE AREA OF INTERNATIONAL RELATIONS AND FOREIGN POLICY HARMONISATION

SADC has made tremendous efforts at harmonising the policies of its member states. These efforts have recorded varying degrees of success in different facets of its integration agenda. In the area of economic policies, as broadly highlighted earlier in this chapter, the regional organisation has taken various initiatives aimed at harmonising the economic policies of the member states for inclusive and rapid development of the region. Efforts in this sphere cut across various strands as evidenced in the numerous economic agreements and protocols adopted by the region. Among the policy initiatives are the 1996 trade protocols, 2005 protocol on the facilitation of movement of persons and protocol on finance and investment adopted in 2006. Others include, the FTA launched in 2008 and trade in services protocol of 2012. Notwithstanding the noticeable challenges, these efforts have yielded some encouraging results. The FTA has continued to promote intra-regional trade within the Community, and the latest efforts at integrating COMESA, EAC and SADC into a single FTA is equally a testimony of the concerted vision of the regional players to take the integration measures to a greater height.

In political sphere, the regional stand on the enthronement of democracy, rule of law, peace, security and stability is very prominent. As a result, the regional body has been actively engaged in the resolution of conflicts in DRC, Madagascar and Lesotho. In Madagascar, for instance, following the coup against President Marc Ravalomanana by his political rival, Andry Rajoelina in 2009; SADC welded into the political impasse by suspending the membership of the Indian Ocean Nation. It was followed by intense pressure and negotiations that yielded a compromised position whereby the two gladiators undertook not to participate in the election that ushered in a democratically elected government in 2013 (Massey & Baker, 2013). With this effort, although it came with a high price of compromise on basic principles, the fact that the election held and Antananarivo returned to a path of peaceful atmosphere is to the credit of the integration effort

of SADC through common policy position. As highlighted previously in this chapter, just as in the Madagascar conflict, the remarkable effort of SADC in resolving internal conflicts among its members through different conflict resolution mechanisms anchored on common policy position by the regional players has also recorded positive results in DRC and Lesotho. In light of this, it is right to argue that SADC reform which gave vent to the establishment of the Organ for Politics, Defence and Security, the recognition that peace and stability are essential ingredients to the overall development of the region, and the efforts applied in this regard remains one of the major areas the positive achievements of the regional body could be mirrored.

Meanwhile, while some achievements have been made in the areas of economic policy harmonisation and conflict resolution through the adoption of common position by SADC leaders, integration in the proper harmonisation of foreign policy of member states has achieved little and could be argued to be non-existing, especially when compared with European Union (EU); a model in global functional regional integration. Notwithstanding the fact that SADC designates its Executive Secretary as its representative in international diplomatic functions, SADC member states still operate different foreign policies with little trace of efforts at harmonising interest at international fora. For instance, EU operates common regional missions in addition to individual state missions. The regional organisation has more than 140 diplomatic missions cut across states and international organisations. The diplomatic missions are headed by an Ambassador who handles the diplomatic functions of the regional body in the host state/ international organisations and issues statements on behalf of the regional body. EU foreign missions are coordinated by the European External Action Service (EEAS). It complements the activities of individual EU state missions, and has a rising potential of taking over some individual missions, especially smaller ones who would be saved the burdens associated with the maintenance of foreign missions (EurActive.com, 2012). The EEAS has its Headquarters in Brussels, Belgium and supports the EU High Representative for Foreign Affairs and Security

Policy. It has specialised divisions at the headquarters (Geography and Thematic directors) and oversees the EU common foreign policy and security issues in close working relations with individual state missions. (EUintheUS.org). SADC efforts are yet to make progress in this regard, and any objective towards such feat is still a work in progress.

However, SADC solidarity support for South African candidate for African Union (AU) chairperson in 2012 is evidence that suggests that the prospect of the region's common foreign policy harmonisation may be evolving. At the 18th African Union (AU) Summit held in Addis Ababa in 2012, a SADC candidate, Nkosazana Dlamini-Zuma contested against the incumbent chairperson, Jean Ping of Gabon. The election was keenly contested that the first ballot in January could not produce a winner, as none of the candidates was able to secure the required two-third majority of votes. Dlamini-Zuma enjoyed strong SADC support, especially from those who argued that the region has never held the position since the inception of the continental body in 1963 (Siphokazi, 2012). With intensified campaign and negotiation for Dlamini-Zuma championed by SADC, she won the position in the second ballot held in July 2012 in Malawi (SABC, 2012). Nonetheless, despite the promising perspective that this issue has generated in the debate on SADC foreign policy harmonisation, a lot needs to be done and the SADC parliamentary Forum must be strengthened, empowering it to make binding legislation for the region.

4.5 INTEGRATION IN THE CONTEXT OF REGIONAL ECONOMIC DEVELOPMENT THROUGH INDUSTRIALISATION AND POVERTY REDUCTION

SADC has taken commendable measures aimed at eradicating poverty and instilling sustainable national and regional development as highlighted earlier especially in the area of trade liberalisation and the improvement of other forms of cross-border cooperation through regional frameworks in the form of treaties, agreements and protocols. That notwithstanding, more still

need to be done to ensure that the regional development frameworks are effectively implemented to ensure that the greater population of the region feels the benefits of the efforts through improved living standards. In the absence of these, poverty has continued to diminish the living standards of the population. Poverty and low standard of living ravaging parts of the region have been attributed to the state of the regional economies. Economic situation in the region has however been linked to the low industrial base of the member state economies. Industrial manufacturing in the region is very low and except for South Africa, the bulk of the export commodities of the states consists mainly of primary products. The situation has contributed to high unemployment in the region as the influx of foreign manufactured goods has hindered the growth and sustainability of manufacturing of output of the region thereby denying the region the employment opportunities that should have accrued from the sector. It equally reduced the revenue earning of some of the states in the region, especially of those that are not endowed with mineral resources for export as the volume of trade deficits continues to grow thereby reducing the capacity of the states to carry out development policies that would improve the living standards of the population through poverty reduction.

In the area of industrialization, SADC now has a blueprint that is aimed at advancing the industrial production of the region. As highlighted fully in the research finding, the organisation has adopted two frameworks to drive its industrialization policy. The Industrial Upgrading and Modernization Programme (IUMP), adopted in 2009, and Industrial Development Policy Framework (IDPF) adopted in 2014 aim to utilize the region's comparative advantages on agricultural and mineral production to drive industrialization on the following sectors:

- Agro-food processing.
- Fisheries and marine resources processing.
- Processing of forest resources.

- Textiles and garments.
- Leather and leather products.
- Mineral beneficiation
- Pharmaceuticals and chemicals processing
- Machinery and equipment Services.

As lofty as the policy frameworks appear, their impacts are yet to be noticed. Going by the performance of various regional agreements and protocols, it is difficult to expect that the state of the manufacturing sector in the region will record an immediate improvement. Similarly, enhanced industrialization will require improved electricity generation. As disclosed by South African Government News Agency (2015), the region has electricity deficit of 8,247 Mega Watts, and plans to commission 2,763 and 24,062 Mega Watts in 2015 and 2019, respectively. Thus, findings show that concerted political will by all stakeholders and improved infrastructural development are needed to drive the industrial development agenda of the region.

In the meantime, for effective war against poverty in the region, the study identified that political stability enshrined by good governance and rule of law must be made to drive the process, as no meaningful development takes place in an environment of social strife and uncertainty. In accord with this position, Par La (2008) held that the absence of good governance in some states of the region has created atmosphere that is very conducive for the breeding of poverty, and that it is very detrimental to the integration agenda of the region as no meaningful regional integration could be rooted where poverty and unemployment ravage the population. Par La (2008) stressed that eradicating poverty in the region calls for change of the political orientation of the regional leaders, recognising that sound regional integration do not only require trade relations and expansion which more often lead to the accumulation of wealth by some citizens to the detriment of the larger population, but there is the need to see the factors militating against

human security as major factors that should be incorporated in the discourse of the region's integration. In order to address the challenging issues facing human security in consonance with the integration agenda of the region, Par La (2008) asserted the following:

- That the regional leaders should avoid being silent and pretend that all is well with the region while good governance is under threat in any state of the region, as this most times poses danger to lives of the population.
- That the region should firmly root its integration agenda in the lives of its citizens by inculcating the ethics and benefits of the projects in the nucleus of the society through educational system, and it should involve the enlightenment on the dangers of poverty and bad governance to sound sustainable integration.
- There should be a design which takes into account the essence of human security as a component of state security.
- To address development challenges by implementing economic policies that create job opportunities and empower the citizens of the region.
- To purge all gender discriminatory policies, and promote those that offer equal opportunities to all the citizens, thereby putting the regional integration in sound footing.
- To pursue corporate social responsibility that enhances development and eradicates poverty.
- To ensure that the regional environment is conducive for the inflow of FDIs, and by channelling the investments into meaningful development adventures by eliminating corruption, which hinders the inflow of FDIs and undermines their positive impacts on the citizens.

Finally, Par La (2008) cautioned that the regional players should be very careful to ensure that their global interaction especially the growing South-South relations which has brought China and India closer to the region do not translate to exploitation, but keys into the overall development agendas of the region.

Meanwhile, poverty reduction is ranked high on the priority list of SADC Regional Indicative Strategic Development Plan (RISDP). That has necessitated the convention of various conferences and adoption of quite a number of frameworks. Among such initiatives are Regional Poverty Reduction Framework (RPRF) and the Regional Poverty Observatory (RPO). The RPRF initiative is aimed at engaging multi-stakeholders in fashioning out ways of eradicating poverty in the region while RPO is charged with monitoring the level of poverty in the region through the use credible indexes and indicator (SANF, 2008). Notwithstanding these promising policies and efforts, poverty level in the region is still at alarming high level. Mail&Guardian (2014) revealed that about 45% of 277 million SADC live on less than US\$1 a day, thereby putting to question the relationship between GDP growth and poverty reduction as the GDPs across the region have continued to grow. Critical appraisal of the regional initiatives at poverty reduction revealed that the challenges are closely linked to myriad of constraints that are confronting SADC in the actualization of its many objectives. Outside the problem emanating from quota system of employment by SADC organs that has often hindered the implementation of policies, especially when unqualified personnel are charged with the assignments that they lack adequate knowledge and expertise, there exist some trends of challenges that have hindered the progress of the regional organization from its developmental stage to the contemporary era. Apart from the devastating menace of antagonistic Apartheid regime of South Africa, the study has identified that political and security challenges have had their fair share of the instability in the region. The civil wars of Angola, Mozambique and DRC, and the political instabilities that occurred over claims to leadership position in Lesotho, Madagascar and Zimbabwe have in no

small measure disrupted the smooth and effective implementation of the regional agendas. For instance, the UNITA and RENAMO rebels' attacks on the alternative transportation systems of the region between the 1980's and 1990's dealt serious blow to the regions' agenda of reducing its economic dependency on apartheid Pretoria. Equally, ideological differences that existed among the member states at the peak of the Cold War did not help the unity of the regional leaders and contributed in prolonging the civil wars fought in some of the states. Similarly, the emergence of super ruling political parties with the collapse of colonialism in some of the states in the region has hindered government accountability and good governance. In some states, the dominance of the ruling parties are so overwhelming that they effectively control the parliaments, thus making the opposition parties lack the power to challenge or offer alternative policies to the people. This is mostly the case in South Africa, Angola and Mozambique where ANC, MPLA and FRELIMO are the ruling parties. The implication of this situation to the actualization of SADC agenda is that since it takes the political will of member states to implement or pursue regional programmes; the dominance of super ruling parties in the states implies that if a member states is reluctant to implement certain regional agenda, it thus becomes difficult to force it to change its position towards such a programme. This scenario has contributed to the next challenge: policy implementation gap that is confronting the region.

SADC and its predecessor institutions have adopted quite a number of protocols aimed at deepening the overall integration of the region through sound economic and development cooperation. That notwithstanding, there is serious case of non-implementation of adopted protocols or even their outright violation by the member states. The issue has led to a situation whereby most states enter into regional agreement as a sign of political jamboree, but more often pursue interests that are sometimes detrimental to the regional agenda. Also, the problem of inadequate funding has contributed to the non-implementation of some regional programmes. The region relies on national contribution and donor assistance for the execution of regional

projects, while national orientated projects rely on national budgets for implementation. Funds from these two sources are not always sufficient as a result of scarce resources and the competition for attention by other projects.

Finally, another factor that has hindered the actualization of some of the regional agenda is the effect of free market globalization. The regional objective of reducing its export of raw materials in favour of enhanced industrial manufacturing has been hampered by the fallout of global free market forces that applies the ethics of demand and supply. The Multi-National Corporations that are involved in both mineral extraction in the region, and the manufacturing of finished products that exported to the region are more interested in increasing their profit margin than helping their raw material producers to establish manufacturing industries that could turn out to compete with them for market shares. Thus, it is to the advantage of the MNCs and their owner countries to ensure that potential competition is neutralized in order to maintain their export market share. This is the case that has been identified in the economic relationship between China and SADC states. While SADC states trade raw materials in their bilateral relations with China, Beijing exports massive finished products into the region, thus the increase of trade deficit for the region, the decline in the local industrial production, and their resultant consequences of unemployment and poverty. This has equally adversely affected intra-regional trade in the region. As low industrial production in the region continues, states in the region are roped with same comparative advantage that comes mainly from agricultural and mineral extraction. Since the region produces almost same category of products, it thus becomes difficult for them to trade among themselves.

4.6 CONCLUSION

The above discussion represents the state of SADC's intra regional cooperation and integration. While several efforts have been made in sundry areas of interest, especially through regional policy frameworks and pragmatic interventions in some certain issues, assessing the achievements of the regional institution through the mirror of its treaty objectives is an exposition that a lot still needs to be done. As highlighted earlier in this chapter, SADC has a good record as regards policy formulation, but the record of policy implementation is not too encouraging, thereby forestalling the region from reaping the dividends expected from such policies. Member states of the organisation more often pursue policies that sometimes are inimical to the regional goals, and in so doing, create the atmosphere in which the regional body is handicapped in curtailing the violation of its protocols and agreements, as members do not show the required political will to aid the institution in the enforcement of the tenets of its agreements. The situation has contributed in opening the region to external influences which benefits some states members to the detriment of others and the region itself. For instance, the participation of third party products in SADC FTA, which mostly is a deliberate act of violation by some member states, is a serious threat to the implementation of the region's preferential trade regime. As the violation of the agreements continued, member states have equally intensified their proliferation of RECs memberships, thus dividing their loyalties among SADC and other RECs like COMESA, EAC, EPA between EU and some SADC members, SACU, etc. The ground consequences of these factors on SADC integration are elaborately discussed in the research findings in chapter six of the study.

CHAPTER FIVE

SINO-SOUTHERN AFRICA DEVELOPMENT COMMUNITY ECONOMIC POLICY

5.0 Introduction

This chapter will critically examine the nature of Sino-SADC economic relations, the role of inter-regionalism and their effects on SADC intra-regional cooperation and integration. For in-depth understanding of the nature of Sino-SADC economic relations, a critical appraisal initially focused on the bilateral economic relations of individual SADC states with China. It was followed by a general assessment that utilized the indices obtained from both the individual state and regional analytical reviews. The factors of analyses are primary and secondary source materials obtained in the course of data collection.

5.1 The Nature of Sino-SADC Economic Relations

- **Sino-Angolan Economic Relations**

The economic relationship between Angola and China has become a major theme in the broader Sino-African economic interaction and has attracted a lot of interest commentators and policy analysts. The bilateral economic tie has presented a special consideration, especially when mirrored from the era of the Angolan independent struggle to its present episode. For the purpose of historical and analytical understanding, it is necessary to attempt a brief evaluation of the relationship, giving insight into its very beginning and its current level. Sino-Angola relations began in the latter's pre-independent period and continued throughout its civil war years. Suffice to state that the relationship during the pre-independent and civil war era was anything but clear and warm. The Angolan independent war was dominated by three liberation movements-The Movimento Popula de Libertacao de Angola (MPLA), Uniao Nacional Para a

Independencia Total de Angola (UNITA), and Frente Nacional para Libertacao de Angola (FNLA). During this period, China supported the liberation struggle in the area of arms and military training. Meanwhile, the support to the liberation struggle was very confusing as China's engagement was characterised by continued shifting of support among the liberation movements, and was driven by the exigencies of its cold war ideological position and its communist rivalry with the Soviet Union (Aidoo, 2013). The end of the Angolan Civil War in 2002 no doubt presented opportunities for normalization of relations between Angola and China and the avenue to explore areas of meaningful engagements between the two states. Accordingly, Alves (2010) revealed that the aftermath of the Angolan civil war which destroyed much of its infrastructures and provided no opportunity for the building of new ones while the war lasted, was a national need for reconstruction. As the country battled to re-build, it was confronted by the reluctance of the Western donors for assistance as their conditionality was difficult for the recovery nation to meet. This national urgency for recovery coincided with China's 'going out policy'. Thus, as natural resources endowed Angola seeks assistance for its infrastructural rebuilding, a China's economy that is in search of energy supply to feed its growing manufacturing industries became a mutual partner, fostering the beginning of a relationship anchored on infrastructural financing on the part of Beijing, and energy supply and security from Luanda. Alves (2010) noted that as oil has become the major commodity in the bilateral relationship, Chinese firms (both state owned and private) undertake infrastructure financing in exchange for energy guarantee/security. Chinese financing in this pattern cuts across building of houses, housing, roads, railway construction and other needed infrastructures. The relationship pattern has since flourished, and China is today Angola's largest trading partner. Notwithstanding the burgeoning trade between the two states, Alves (2010) stressed that China has become

the highest importer of Angolan oil, but the exploration/extraction of oil in the country is still dominated by the Western owned companies. She noted that the growing Chinese demand for Angolan oil has increased the value of the bilateral trade between the two countries. For instance, she pointed out that their bilateral trade value moved from US\$1 billion in 2002 to US\$25.3 billion in 2008, and the oil export from Angola to China represented 88% of the country's total in 2008.

Meanwhile, notwithstanding the growing economic ties between Angola and China, the pattern of the relationship has come under spotlight. While De Morais (2011) reckoned that the relationship has made tremendous impacts on Angola, he argued that it has been bedevilled by some practices that do not augur well for the country. In this regard, he outlined that the ties have no doubt witnessed a growing trade relations resulting in Angola overtaking Saudi Arabia in 2010 as China's top oil supplier, translating into the country exporting estimated US\$52.5 billion worth of oil to China in that year. He also revealed that as part of the infrastructural financing tied to energy security, Chinese firms have executed and undertaken to execute numerous projects, cutting across housing, railways, roads, hospitals, etc in Angola. Specifically, he stated that a Chinese firm, China International Fund (CIF) has been given the right to construct the following:

- 215,500 low-income social houses
- An industrial area in Luanda with seventy factories.
- International airport
- 2, 680 kilometres of national railways track
- 133 depots
- 15,500 kilometres of inter-provincial roads

He therefore argued that the relationship is not for the well-being of the country because it is characterised by delays in the execution of the projects, execution of sub-standard projects, contract brokering by some Chinese firms that fraudulently secure contracts they have no capacity of delivering, only to re-award them to other firms and make gains from the transaction; influx of Chinese labour force into the country (about 100,000), and undermining democracy and good governance. He also stressed that it has witnessed cases of Chinese citizens engaging in crimes in the country. He suggested that various projects executed by the Chinese firms dot the country with traces of poor workmanship, in addition to encouraging economic corruption among the ruling class, and helping to fuel the growing resentment against the Chinese in the country. He concluded by declaring that the Chinese have become part of the Angolan problem rather than solution to it.

Giving insights into the impacts of Sino-Angolan relations, Williams (2014) acknowledged that the relationship which relies on Chinese infrastructural financing tied to energy security from Angola has greatly helped in the economic growth of the later in recent times. He noted that the growth in Angolan GDP by 10% between 2006 and 2010 has, no doubt, benefited from the economic ties. He highlighted that despite the fact that oil exploration/extraction in Angola is still being dominated by Western firms, Chinese consumption of the Angolan oil has rapidly increased resulting in the exportation of 46% of Angolan total oil exports to China in 2012, and the increase in value of oil heading to China from US\$2.2 billion in 2003 to US\$22.3 billion in 2008. However, notwithstanding the above positive outcome of the relationship, Williams (2014) revealed that it has recorded a number of negative outcomes that makes it unsustainable. He argued that why there is a growing allegation of Chinese firms executing sub-standard projects in Angola, the engagement of Chinese labour in the execution of

projects in the country has equally created a situation that undermines the participation of Angolan citizens in their national economy, and therefore leaves little room for skill transfer to the locals. In the light of this, he asserted that contracts given to Chinese firms entitle them to source 50% of procurement materials from China. He pointed out that the practice has given a leeway to the massive influx of Chinese nationals to Angola, numbering about 250,000 in 2013. He also argued that the relationship has not promoted good governance and accountability by the ruling elite, and instead encourages corruption, suppression of the opposing view, autocracy on the part of the MPLA ruling class, and at the same time undermines economic diversification. He claimed that this has resulted in the growing resentment of the locals towards the Chinese in their country. He also predicted that Angolan economy will suffer in the long-run, if the government continues to rely on Chinese importation for its revenue and infrastructure provision whenever Chinese demands for energy dims. He equally emphasised that the growing resentment against the Chinese which the government has failed to address, portends a catastrophic situation for the economy as it has the potential of degenerating into violence in the future, and would definitely dampen the confidence of investors in the economy.

Focusing on Sino-Angolan economic relations in his analysis of China's involvement in resources extraction in Africa, Flanagan (2013) recognised growing Chinese involvement in Angolan economy, especially in the provision of highly needed infrastructure that became a national priority after devastating years of war, and noted that the pattern of the economic relations represents one of the best engagements in Africa that could serve as a lesson to other Sino-African economic relations. Acknowledging that China has become Angolan's top trading partner, Flanagan (2010) believed that, just like Chinese broader economic engagements in the continent is defined by trade and other associated

practices anchored on oil, Sino-Angolan economic ties are not an exception. He emphasised that the relationship is characterized by a pattern in which China through its firms (state-owned and private) provides infrastructural financing to Angola with oil supply as a guarantee. Specifically, the projects in such deals are executed by Chinese firms, but unlike Western donors, no political/governance conditionality is attached, giving Luanda political liberty. He therefore described the relationship as a win-win partnership, and attributed criticisms directed at the relationship to perceptions based on people, political and ideology conceptions. In the light of this, he argued that though the benefits of the relationship have not translated into the needed economic diversification and employment generation, the criticism of the ties is mostly hinged on people's perception of the political elite whom they view as the physical image representing the relationship, but is a reminder that there is no record of any zero corrupt practice of the political elite world over.

The foregoing opinions of commentators on Sino-Angolan economic relations were compared with primary source materials collected in the course of this study, and the findings proved that the relationship has actually benefited both states. As outlined in some of the analyses earlier reviewed, the bilateral ties have been very crucial in Angolan post-war recovery, especially in the provision of affordable infrastructures that have greatly contributed in the improvement of living standards of the Angolans, and in getting on track of its nation's economic growth and development. While the Chinese infrastructural aids that ignore political and governance conditionality has been criticized for encouraging corruption and undermining development of democratic process in the country, its impacts on the lives of average citizens of the country cannot be disregarded. The relationship has not only taken effect on state-to-state basis, but has also encouraged the involvement of Chinese citizens in various sectors of Angolan economy, especially in

the area of trade and retail businesses. While the influx of cheap Chinese products has afforded the citizens the purchasing power, it has equally in some cases hampered the growth of local manufacturing industries in the country as the local firms lack the competitive edge against the Chinese. The involvement of the Chinese in Angolan economy has created job opportunities for the citizens as the firms employ both Chinese and the locals. Against this backdrop, the Chinese have been accused of unfair labour practices in the country, and this has contributed to anti-Chinese sentiments in some quarters. Similarly, as the Chinese firms are actively engaged in the infrastructural development of the country, their poor execution of some projects as recorded in the literatures has also added impetus to the resentment some citizens have about them. Meanwhile, judging from how the relationship evolved and the state of Angolan economy before the arrival of the Chinese on the scene, it is right to hold that the bilateral ties have broadly benefited the two states.

- **Sino-Botswana Economic Relation**

Though Botswana gained political independence from Britain on 30th September, 1966, diplomatic relations between her and China only came to effect on 6th January, 1975. Before this time, the relationship between the two states was largely centred on the PRC's assistance towards anti-colonial struggle in the southern African region. As rightly observed by Taylor (1998), the influence of the apartheid regime in South Africa visible hovering over the new independent state largely because of Botswana's landlocked geographical location and its dependent on its powerful neighbour, the foreign policy direction of the country was carefully pursued to avoid inviting the wrath of Pretoria (Taylor, 1998). Thus, while there was the urge to pursue an independent foreign policy, the fear of Pretoria ensured that relationship between Gaborone and Beijing remained keyed even after the establishment of diplomatic ties in 1975. As noted by George

(2015), while there were early signs of emerging warm relationship between the states resulting in Gaborone's support for the restoration of China's UNO seat to the PRC in 1971, it was not until in 1976 that President Seretse of Botswana paid an official visit to Beijing. The visit did not only mark Gaborone's recognition of 'one China', but also paved the way for subsequent fruitful relations between the two states. Such relations cut across education, agricultural and infrastructural development, energy, science and technology cooperation. Commenting on the trend of the bilateral relationship, the Chinese Ambassador to Botswana, (Zhuqiang 2014), noted that apart from the official visits by the officials of the two states, the ties have witnessed Beijing assisting Gaborone in building houses, schools, roads and other livelihood projects. Against this backdrop, he highlighted that bilateral relation include Chinese scholarships to Botswana students, Beijing's medical support through the deployment of medical teams to Botswana. In addition, he argued that the two states could cooperate more on economic diversification, infrastructural development, stock raising and agricultural export utilizing the advantages of the China's large market.

Also, in his disclosure that China values Sino-Botswana ruling party relations, a senior member of CPC, Wu Guanzheng (Guanzheng 2005) noted that China was willing to elevate its relationship with Botswana by increasing bilateral exchanges and cooperation in sundry areas, in furtherance of the achievements already made in political, economic, cultural, infrastructure construction, human resources development, agriculture, and medical care.

In his review of the Sino-Botswana diplomatic relations, the Chinese Ambassador to Botswana, Liu Huanxing (Liu, 2010) highlighted that the relationship is built on the principle of equality and mutual benefit and has been fruitful in the areas of economic interaction, trade, human resources development, cultural exchanges and coordination in

international arena anchored on respect for each other's sovereignty and territorial integrity, and driven by trade and technical cooperation. He revealed that trade between the two states began in early 1980s with a very low volume of about US\$500,000; but has since been growing with the signing of bilateral trade agreement in 1986. Consequently, the trade volume increased in 2008, recording US\$360 million trade, while the 2009 volume plunged because of the global economic meltdown of that year. He also emphasised that Chinese companies in Botswana have created over 20,000 jobs and are renowned for delivering quality projects. Under economic assistance, Liu (2010) contended that Beijing has been of help to Gaborone in the area of interest free and low interest loan grants which were channelled to various project executions. Accordingly, he stated that renovation of railways and roads, health facilities and construction of low-cost housing, and credits for the building of power station, in addition to the construction of the Gaborone Multi-Purpose Youth Centre have benefited from the economic assistance. Another area of the bilateral relations according to Liu (2010) is technical exchange and transfer. In this sector, he revealed that Botswana has attracted Chinese assistance in the area of agricultural training and planning, while medical assistance has witnessed the deployment of Chinese medical teams to the country. Another aspect of the bilateral relations is the human resources development. In this section, Liu (2010) contended that over 300 Botswana citizens have attended seminars, workshops and short-term training programs in China, while youth exchange programme is equally included. Also, Liu revealed that the bilateral relation has witnessed the awarding of Chinese scholarships to Botswana students to undertake undergraduate and postgraduate studies in China. The establishment of Confucius Institute in University of Botswana forms part of the warm bilateral relationship between the two countries. Also, development of tourism is equally tied to the bilateral cooperation.

Meanwhile, the bilateral relation has come under criticism in some quarters. It has been accused of yielding opportunities for Chinese contractors to deliver cheap sub-standard works thereby killing the local contracting firms. The Chinese contractors have equally been accused of delays in completion of projects, while some nationals of the Asian country have been accused of engaging in illegal trading and flooding Botswana with fake and sub-standard goods. All these put together have given the Chinese in the country a bad image, leading to growing resentment of the local population towards the Chinese in the country. In the opinion of Ndlovu (2014), some of the complaints of delay in project completion emanated from the delay in the completion of the Morupule B power plant by Chinese National Electric Equipment Corporation (CNEEC) in 2003, which forced the government not to renew the contract with CNEEC and instead engaged a German company, STEAG Energy Services for the project. Another example of such a delay in project completion was the renovation of Sir Seretse Khama International Airport awarded to Chinese firm, Sinohydro, the US\$56 million glass manufacturing project based in Palapye, a joint project of Botswana Development Corporation and the Shanghai Fengyue Glass Company. While the Botswana government fired the contractor handling the airport project, the loss accruing from the glass manufacturing project cost the Botswana a lot in job creation. Equally, the accusation of flooding the Botswana market with counterfeit goods has occasioned instances of police raids at Chinese shops.

However, while it cannot be disputed that not all Chinese firms and nationals engage in shoddy deals in Botswana, and that their presence must have contributed to the economic growth of the country, it is obvious that the irresponsibility of some of them has continued to fuel growing resentment of the locals against their presence in the country. Just like most Chinese economic adventures in the region, it has contributed immensely in the provision of affordable infrastructures and consumer products in Botswana. The

affordability of the goods and projects, together with political non-interference of Beijing in the internal affairs of Gaborone has not only improved the living standards and infrastructures in the country, but has also given the Southern African state the political freedom to decide its policy direction, unlike the West that attaches political conditions that sometimes undermine the sovereignty of the aid recipient country.

- **Sino-Democratic Republic of Congo Economic Relations**

The bilateral relations between the PRC and Democratic Republic of Congo (DRC) rank among the growing engagements the Asian giant has cultivated in Africa. Though with some specifics, it has taken the general pattern that permeates Sino-African ties. It involves trade, infrastructural financing, and grant/loan tied to mineral extraction rights; the participation of Chinese nationals in retail businesses in the country; and the use of Chinese firms and labour in the execution of projects funded by Chinese institutions. Just like in other Sino-African economic ties, the rapport has attracted both commendations and criticisms. Meanwhile, before highlighting the details of the critiques, it is noteworthy to briefly trace the origin of the bilateral relations.

DRC, a former Belgian colony gained political independence on June 30, 1960. Just as the early post-independent era of the country was characterized by confusion over political leadership that became more intense with the introduction of the global cold-war politics, and subsequently split the President and the Prime-Minister along two ideological divides, the relationship between the country and China was equally confusing at the early stage, especially between 1960 and 1972, exchanging between the ROC and PRC on several occasions. As highlighted by Chinese Foreign Ministry (2006), the first diplomatic relations between the DRC and China was with the ROC in October 1960 under the Congolese leadership of Kasavubu. With political turmoil visible in the

country over leadership dispute involving its political leaders, PRC recognized the leadership of Gizenga, resulting in the diplomatic relationship between Beijing and Kinshasha that was celebrated on February 20, 1961. However, the diplomatic ties between the PRC and the Congo soon broke down with Gizenga establishing diplomatic ties with Taipei in September 1961. The break-up in diplomatic relations between the PRC and Congo continued until November 1972 when the ties were restored under the Congolese leadership of Mobutu Seseseko. Mobutu's regime witnessed the change of the country's name to Zaire. Under Mobutu, the relationship between Zaire and China flourished, occasioning quite a few official visits by the leaders of the two states. Mobutu's government was toppled by Laurent Kabila in 1997. The new leadership changed the country's name to Democratic Republic of Congo. Under Kabila, the bilateral relationship continued to grow with the President paying a state visit to Beijing in December, 1997. Laurent Kabila was assassinated in January, 2001 and was succeeded by his son, Joseph Kabila. Under Joseph Kabila, the relationship has grown from strength to strength and is at its best form ever.

The post-independence economic relations between China and DRC gained prevalence from the era of Mobutu administration. Under Mobutu, the relationship was anchored on state-to-state basis, and the Chinese involvement in the country was mainly in the infrastructure sector. Apart from the government-to-government bilateral relations, there are similar records of Chinese traders in Congo at this period, which mainly involved buying of mineral ore either for themselves or for their Chinese companies and exporting same to China. The trade at this period was informal and the Chinese came with tourist visa and operated on an ad-hoc basis, having neither offices, staff nor business documentation, but cash to trade with the artisan Congolese miners, and stoutly avoided investing in smelting which they considered expensive. The trade pattern continued until

the early 2000s when the Congolese government came up with mining laws which did not only liberalise the mining sector, but also provided for the formalisation of the activities in the sector and prohibited the exportation of raw materials from the country. The policy encouraged more investment into the sector and forced the companies to establish smelting facilities. Increasingly, the Chinese dominated the smelting business. With the increase of smelting companies with mining concession, the volume of artisan mining began to wane. Meanwhile, notwithstanding the increase in the involvement of smelting companies, it did not immediately translate to long-term investment in the sector, as most of the firms were more interested in immediate profit and their activities showed little difference from the artisan traders of the previous era. The industrial installations of that period were mostly provisional and were meant to serve short-term interests. However, as the country strove to rebuild its infrastructures destroyed by the civil war and equally in pursuit of general development initiative, the President, Joseph Kabila invited the Chinese to help in rebuilding the country. Consequently, the engagements of the Chinese coming from this phase remarkably expanded. Their roles were no longer limited to the mining sector but they are now DRC's partners in nation-building processes, taking more responsibilities in the country's economic activities. The new pattern of economic relations that this has generated entails the involvement of Chinese in infrastructure financing, the development of the mining sector and entering into bilateral agreements of cooperation by the two states. In the area of infrastructural financing, it has witnessed the involvement of Chinese in the construction of roads, railways, hospitals and health facilities, schools, hydropower in public buildings in exchange for mineral extraction rights in a somewhat barter system. Notable among such mineral for infrastructure financing agreements is the Sicomine deal of 2007. Sicomine deal is a joint venture between and Chinese and DRC state owned companies for the

funding of quite a number of infrastructures and mining development worth about US\$9 billion in exchange for extraction of Copper and cobalt (Kabemba, 2012).

As recorded by Chinese Foreign Ministry (2006), the two countries commenced mutual economic cooperation in 1982. The economic relations between the states involve bilateral agreements on agricultural development, infrastructure building, telecommunications, etc. Among such agreements are the 1997 agreement on mutual protection and encouragement of investments and the 2000 bilateral agreement between China Zhongxing Telecommunication and Congolese government for the setting up of China Communication in Congo with China Exim bank financing. The growing confidence in the bilateral relations has witnessed increase in trade between the two states. For instance, their bilateral trade volume grew by 51.4% between 2001 and 2002 reaching US\$31.46. The details of the trade shows that China's major exports to DRC are machines and light industry products, while the imports are mineral ores of copper, cobalt, zinc, etc. The bilateral relationship has equally involved medical assistance from Beijing, in which it has been sending medical teams to Congo since 1993; and that is in addition to its provision of scholarships to DRC's students.

The bilateral relationship has been commended for providing the Congolese with the lifeline to addressing its infrastructure needs. Analysing the impacts of the Sicomine deal on DRC's, Edinger and Jansson (2008), revealed that the deal gives Chinese companies 68% stake (33% for China Railway, 30%, for Sinohydro, and 5% for Zhejiang Huayou Cobalt Company) and Congolese companies 32% stake (20% for Gecamines Holding and 12% for Congo Simco Holding) in the infrastructure financing of US\$6 billion worth of infrastructure that cut across railway, roads, hydroelectric dams, airports, schools and hospital; and US\$3 billion in the mining infrastructure of DRC in exchange for the extraction 10.6 million tons of copper and 626,619 tons of cobalt. They argued that the

deal would benefit DRC, especially when the infrastructure needs of the country and its financial muscle to provide such facilities are taken into consideration. They asserted that since it is difficult for the country to attract sizeable aid in addressing its infrastructure needs, the deal should be seen in the context of what it could achieve for the country, and the fact that the Chinese partners are projected to rake a profit of US\$80 billion from the deal should not be a reason to ignore the derivable benefits from the deal. As the Western criticism of the deal continued to mount, Lokongo (2009) has praised the deal, describing it as barter that will afford DRC the opportunity to improve its infrastructures and develop its economy through investments in mining and agriculture, while the financing responsibility is bestowed on the Chinese.

It has equally been argued that the motivation for Chinese engagement in DRC is driven by its search for raw materials, and that has led to the increase in Chinese import from the country. As Chinese involvement in the country increases, so also are the consequences. It has witnessed the establishment of Congo China Telecoms with affordable prices, the participation of the Chinese companies in mineral mining, and infrastructure building in DRC. Also, it has encouraged increased trade between the two countries, the provision of affordable infrastructures, and has through these benefits improved the living standards of the Congolese. While these positive impacts cannot be ignored, the pattern of the relationship has generated resentment against the Chinese in the country, and this is largely based on the following accusations against the Chinese:

- Violation of labour regulations by the Chinese firms
- Involvement in the fraudulent exportation of raw materials to Zambia
- Environmental and health hazards perpetrated by Chinese companies

- Illegal entry into the country by some Chinese
- Poor welfare and working conditions for the staff of the Chinese companies.

(N'sakila, 2008)

Sino-DRC economic relations form part of the Chinese engagements in Southern Africa that have taken a particular dimension that involves trade, infrastructural financing, aids tied to mineral extraction right, retails businesses and the utilization of the Chinese labour in the execution of projects. While opinions differ on the effects of the bilateral relations on the Congolese society, depending on the orientation and bias of the commentator, evaluation of the research findings revealed that despite the criticisms that have greeted the ties in some quarters, it is a relationship that can be classified as win-win situation. Findings revealed that with vast infrastructure shortfall in the country, resulting from civil wars, the involvement of the Asians in the country's economic sector has provided it with the much needed economic lifeline. Faced with enormous task of building and re-building its infrastructures, Chinese aid that are tied to mineral extraction gave the Congolese the opportunity to utilize its untapped mineral resources in exchange for infrastructures, and this has greatly improved the government earning in addition to its contribution to the nation's economic growth and development. While the Sicomine deal has been criticised by some commentators because of the profit margin it would yield to the Chinese, the critics have failed to provide alternative credit line that the government could have utilized in its infrastructural and development efforts. The Western donor institutions were not ready to risk their fund without extracting political concessions from the government. Also, there is no conviction that if Western aid was sought, that it would have been applied better than what the country got from China. There is evidence of Western aid deployment to the region that ended up not yielding the

desired results. In all, Sino-DRC economic relations, despite some criticisms, have benefited the two states.

Sino-Lesotho Economic Relations

Bilateral relations between Lesotho and the PRC have endured some moments of confusion and warmth. The first diplomatic relations between the two states were established in April 1983. Lesotho was not favourable to Taiwan's support to apartheid regime in South Africa, but due to the overwhelming influence of Pretoria, Maseru lacked the courage to cultivate bilateral relations with Beijing as result of its support to liberation movements in the region, and in South Africa in particular was not in the good books of Pretoria. Meanwhile, before 1983, on gaining political independence from Britain in 1966, Lesotho has recognized and established bilateral relations with Taipei. The diplomatic relations that were shifted to Beijing in 1983 suffered a break up in 1990 due to global condemnation of Beijing's 1989 Tiananmen Square crackdown, and the emergence of military regime in Lesotho in 1986. The cessation of diplomatic ties between Beijing and Maseru continued until 1994 when relations were again restored under the Basotholand Congress party regime. Meanwhile, as Maseru swings its diplomatic relations between Taipei and Beijing, migrants from both Chinese territories continued to flock to the mountainous Southern African Nation.

The relationship between Lesotho and the two contending Chinese authorities has witnessed the deployment of technical support teams by the two rival Chinese authorities to Lesotho. The technical teams served in providing medical and development assistance to the country. While the technical teams came with specific mandates and were to stay in the country for defined periods, some members of the teams on completion of their mandates found ways of remaining in the country to engage in their own individual

practices, especially operating retail shops. The retailers sourced their products from either the neighbouring South Africa or from Taiwan and Mainland China. As Maseru continued to woo foreign investments, the Chinese/Taiwanese nationals began to invest in the textile industry of the country. By utilizing the opportunities provided by government incentives like pre-built factory facilities, and the benefits accruing from Lesotho's participation in preferential trade agreement regimes with the US and the Europe (Multi Fibre Agreement of 1974-2004 and Africa Growth Opportunity Act, AGOA, 2000), some of the investors soon began to relocate their assembling plants to Lesotho. The establishment of the assembling plants made the firms to recruit some personnel from both Taiwan and Mainland China. The growing presence of the Asians in the economic sectors of the country soon generated resentment. The resentment sometimes led to xenophobic attacks, and the Asians were largely accused of dominating the retail businesses in the country. With the growing resentment, coupled with the economic growth taking place in Taiwan in the 1990s, the number of Taiwanese labour in the textile industry soon began to wane in favour of the Chinese. The arrival of new waves of Chinese business operators especially from the Fujian and Shaighai regions has helped to swell the Chinese population, notwithstanding the growing local resentment towards them (Mothusiturner, 2013).

Meanwhile, while Chinese involvement in the textile and retail business is prominent in the bilateral economic relations between the two countries, it is no way restricted to these sectors. Bilateral trade between the states has equally been growing. For instance, the total trade volume increased from US\$1.16 million in 1996 to nearly US\$100 million in 2012. Lesotho's total export to China recorded in 2012 was US\$5.40 million, while import was US\$94.37 million. The trade pattern consists of Lesotho export mainly coming from wool, mohair products, while imports are mainly textile raw materials and

products, machinery, electrical and information computer technology (ICT) products and components. The trade has no doubt recorded huge deficit for Lesotho as shown by the 2012 figure. However, in order to reduce the trade imbalance, China has granted duty free to 95% exports to its market. Also, the economic relations have recorded some feats outside trade. Chinese firms and investors are actively involved in project and infrastructure building, and establishment of industries in Lesotho. Some of the projects include construction of roads, bridges, water-pipes, industrial, public, school and residential buildings, and production of building materials like doors, windows, sand stone and bricks. The investments in these fields also involve the employment of the locals and expatriates from China. While the employment of the locals falls within direct job category, the engagement of expatriates who work with the locals ensures that skill transfer is achieved in that process. There are also direct policies of the firms in training their local staff in skills acquisition in order to be more efficient in handling their working tools. Chinese firms are also involved in telecommunication investment and in agricultural development projects. In the agricultural sector, they engage in human resources empowerment, while telecommunication sector has witnessed such investment like the US\$60 million concessional loan to Lesotho Econet in upgrading its network. The relationship has also occasioned Chinese investment in the health sector of Lesotho. This includes the deployment of medical teams and donation of medical equipment and medicines to Lesotho (Chinese Ministry of Commerce, 2013).

Meanwhile, notwithstanding the cordiality in the economic relations that have witnessed increased trade, FDI inflow, infrastructural aids, agricultural development and medical assistance, job creation, and human resources development from China to Lesotho; resentment against the presence of the Chinese in the country has continued to grow. They emanate mainly from the perspective that the Chinese involvement in the retail

business has disadvantaged the locals in the sector, and their general economic well-being. The Chinese have also been accused of engaging in the sale and distribution of fake and expired products (Kotelo, 2014). In reaction to the growing resentment which sometimes degenerates to xenophobic attacks against the Chinese, Mothusiturner (2013) cautioned that if not properly addressed, it has the potential of scaring away investors from the country.

As stated earlier in this section, warm relationship between China and Lesotho dates to the latter's pre-independence era, even while the overwhelming influence of Pretoria and its ally, Taipei hovered over the country. With the establishment of diplomatic relations, the bilateral relations have grown from strength to strength. This has encouraged the involvement of the Chinese in several sectors of Lesotho economy. Of prominence is the Chinese engagement in the textile industry of the country. The outcome of this particular engagement has been mixed. The Chinese involvement in the industrial sector has led to creation of job opportunities for the locals and the improvement of government revenue earning, just it has also provided the Asians the opportunity to partake in the economic opportunities that preferential trade agreements such as AGOA and other EPAs provide for the Southern African nation. The implication of this is that while government revenue increases, the fact that the local industries lack the capacity to compete with the Asian-owned firms means that they are gradually edged out of production. The dominance of the Chinese owned companies in this sector no doubt undermines the growth of indigenous companies, as the latter lack the competitive capacity to stand against the former. The decline of locally owned industries in the sector has the potential of reducing the country into a fully dependent economy in the future which does not augur well for the economic development of the state.

- **Sino-Madagascar Economic Relations**

There are records of centuries of relationship between peoples of the Asian and the Indian Ocean nations. Malagasy historians trace the early arrival of the Chinese on the island to the 18th and 19th centuries (Xinhua, 2012). There were different waves of Chinese migration to Madagascar. While some could have begun their journey to the island from Mauritius and Reunion, others might have taken off from China. It is believed that the first set of Chinese migrations to the island was attracted by the indentured servitude practised by the Europeans on the Indian Ocean islands following the abolition of slave trade. Europeans on the island relied on indentured labour for the production of tropical and sub-tropical crops like sugar, indigo, cotton, rubber and tobacco. Meanwhile, there are also those that believe that some Chinese had actually settled on the island before this period. Furthermore, at the end of their indentured servitude, some of the Chinese migrants returned to China while some stayed back. Those who stayed back began to involve themselves in socio-economic activities of the time such as retail trading and farming. Throughout the colonial and post-colonial eras, Chinese population on the island had continued to grow as new waves of migration from Asia and other Indian Ocean neighbouring states continued to turn up into Madagascar. The population of the Chinese on the island in the mid-1990's was estimated to be between 40,000 and above 60,000. The footprints of the early Chinese settlement in the country are not limited to retail business. It is on record that the first Chinese language school on the island began in the late 1920s. The number of Chinese schools increased exponentially following the Japanese occupation of coastal China from 1937. With the occupation, Chinese in Madagascar could no longer send their children to attend schools in China. By 1946, there were 11 Chinese schools on the island. With the aid of Chinese government, a Confucius Institute has been established in Madagascar in order to help

promote Chinese culture. Meanwhile, even with the age-long relations between China and Madagascar, the two states could only establish diplomatic relations twelve years after the attainment of independence in 1960 by the later. The delay was not unconnected with French's influence on the country's foreign policy, and its hostility towards the PRC at that time. With the military coup of 1975 that brought with it socialist policies in the country, Veek and Diop (2012) stressed that it was expected that commonality in state ideology would usher in more robust relations between the two states. That expectation did not materialize owing to internal chaos that pervaded the country at that time. However, the political and economic reforms that began in the country in 1986 led to the abandonment of socialism for free market economy, while one party system gave way to multi-party system. Consequent upon these developments, the country adopted open and more robust foreign policy posture, and this coincided with China's 'go out' policy; thus, the beginning of more beneficial bilateral relations with the two states. The relations have impacted the political, economic, health, culture and sport sectors, as well as witnessing a number of official visits from both sides (Xuequan, 2008). As bilateral relations between the two states continue to blossom, Chinese involvement in the socio-economic lives of Madagascar continue to widen. There is visible presence of Chinese in the mining, logging, construction and retail sectors of the economy. For instance, according to Veek and Diop (2012), China's export to the country in 2010 accounted for 16% of the total island nation's imports, while its export to China represented 8.9% of its total exports. The total trade with China within the same period stood at over US\$538 million, making China its largest trading partner. While Chinese imports from the country are mainly mineral and agricultural and wooden products, it in return exports mainly finished products of clothing, shoes, household wares, electronics, cell phones, etc to the country. As the growing economic activities of Chinese in Madagascar have

brought the country economic fortunes, it has equally witnessed the arrival of more Chinese. Beijing has equally been deploying medical and construction teams to the country. In addition, it has assisted the country in the provision of school materials, medicine, and building of class rooms, roads, low-cost housing, commercial buildings and hospitals. Meanwhile, as the economic activities of the Chinese in the country increase, so also is the rising tide of anti-Chinese sentiments. Resentment against the Chinese is largely based on the public perception that they are in control of mineral resources of the country, and are involved in illegal export of wood products, dumping of counterfeit and low quality products, and growing control of retail and wholesale, hotels and restaurant businesses. Malagasies also accuse China of exerting overwhelming political influence in their country. The resentment occasionally results to anti-Chinese protests and looting of Chinese owned businesses.

The bilateral relations rank among the foremost relations the Chinese has cultivated in Africa. It takes same pattern that has been practised by the Asians in the continent. The economic ties involve the participation of the Chinese in agricultural activities in the country, as well as construction, mining, logging and retails businesses. While Madagascar exports primary products mainly from timber products and minerals to China, it imports mostly finished products in return. The two-way trade relations have mostly been influenced by market forces of demand and supply. Meanwhile, the importation of Chinese products just like in other countries in Southern Africa, has contributed to the improvement of the living standard of the population, its effects on the local industrial production are negative. Similarly, the activities of some Chinese citizens who indulge in illegal logging and retail of fake and substandard products in the country have seriously created bad image for the Chinese among some citizens of the country. That notwithstanding, as has been stated that demand and supply forces determine the

dimension of trade between the two states, this study believes that the bilateral relations have benefited both states.

- **Sino-Malawian Economic Relations**

Diplomatic relations between China and Malawi were established on May 13, 2008. Before then, Malawi had maintained relations with Taiwan since 1967. The shift in diplomatic ties from Taipei to Beijing was largely necessitated by the anticipation of the economic benefits it would offer the Southern African state. Being a rapidly growing and developing country with expanding global economic and political potentials, Lilongwe had to sever its 41-year friendship with Taipei, and began a relationship that unquestionably impacted greatly on its economic development. Since the diplomatic pact was consummated, it has witnessed tremendous growth in both political, economic, socio-cultural engagements. The bilateral relations have occasioned the signing of a number of cooperation agreements and were given vent to increasing Chinese involvement in various sectors of the Malawian economy. The relationship has made some tracks on trade and investment, infrastructural provision, job creation; health and educational cooperation programmes. Consequent upon the warm relationship between the two states, China has funded quite a number of infrastructural projects in Malawi. Notable among these projects are road construction (Karonga-Chitipa road), parliamentary building, international convention Centre. The Chinese are also involved in the building and upgrading of electricity facilities in the country. Meanwhile, Chinese involvement in the infrastructural development implies either the direct funding of such projects by Beijing or by Chinese firms through interest free or low interest loans, and such credit assistance comes with the understanding that Chinese firms would be the beneficiary in its execution. Chinese development assistance is however not limited to infrastructure. As revealed by Thindwa (2014), it is nonetheless applied to agricultural

development as well. In the agricultural sector, the assistance comes in the form of direct investment and in the training of the local manpower on production improvement in various agricultural sub-sectors. One of the remarkable Chinese engagements in this regard is the China-Malawi cotton project. The project is a joint venture between the China Coloured Cotton Group and Qingdao Ruichang Cotton Industries Co Ltd. The project is expected to benefit about 100,000 local farmers. Also, as an indication of the cordial relations between the two states, China has been assisting Malawi in both health and educational sectors. It has been deploying health experts to Malawian hospitals, and at the same time offering scholarships to Malawian students to undertake studies in various fields in Chinese Universities.

Furthermore, the bilateral relations have engineered growth in trade relations between the two states. For instance, the total bilateral trade volume grew from US\$42.82 million in 2007 to US\$250 million in 2013. That notwithstanding, the trade relations have recorded huge deficit for Malawi. This is due to the trade pattern in which Malawi imports more than its exports to China. Despite the imbalance nature of the trade relations, the involvement of Chinese in the economy has created opportunities for direct and indirect jobs for Malawians. In the meantime, in order to address the trade imbalance, China has granted import duty free to 97% of Malawian products entering its market. The measure is aimed at stimulating more Malawian exports to China. Likewise, China has continued to import about 3,000 tons of tobacco leafs from Malawi, all tailored to reduce the trade imbalance (Yang, 2015).

Nonetheless, apart from cooperation in trade and infrastructural building, the economic ties have equally impacted other sectors of the Malawian economy. The Chinese are visibly engaged in natural resources extraction, manufacturing, telecommunication, service and agro processing sectors of the economy. Their involvement in these sectors

has had ripple effects on the Malawian economy. Between 2005 and 2012, China created about 13,796 jobs in the country. On the negative side, however, the Chinese involvement in the economy has brought about decline in local manufacturing in the country, due largely to the influx of cheap Chinese products, and the difficulty it poses to local manufacturers who find it extremely hard to compete with their Chinese counterparts. The involvement of the Chinese in the retail businesses in the country has equally not helped matters. The situation has generated anti-Chinese sentiment by the locals who accuse the Asians of depriving them their means of livelihood. Meanwhile, as a measure of addressing the issue, Lilongwe has enacted law that prohibits the Chinese from engaging in retail businesses in the rural areas of the country (Thindwa, 2014).

The official Sino-Malawian relations as earlier noted began in 2008. Since 2008, the relationship has expanded in various ways, and has contributed immensely to the economic affairs of the two states. Malawi is one of the poor states in the region, and has little to offer China in terms of trade relations, thereby leading to huge trade deficit for the former in the economic ties as it imports mostly finished products from the latter. Apart from trade relations, the Chinese have been very helpful to Malawi, especially in the areas of agricultural development and infrastructural provisions. Beijing has committed huge resources in providing aid to Malawi mainly for its recognition of One China policy in which Malawi undertook and severed diplomatic relations with its long outstanding ally, Taiwan. Since the official bilateral relations are very nascent, the Chinese cannot be hold responsible for the poor performance of the Malawian industrial manufacturing sector, rather, the Southern African state has benefited massively from the infrastructural and developmental aids from Beijing.

- **Sino-Mauritian Economic Relation**

Diplomatic relations were established between Mauritius and PRC on the 15 April, 1972. The event formalized a long standing relationship that had existed between the Asians and the Indian Ocean island state. Unofficial relations between the two political entities date back to the 18th century when the first set of Chinese immigrants arrived on the island. Chinese emigration to the island took off mainly from Xiamen (Fukien), Nanhai (Guangdong), and Mexican (Guangdon) territories of China. The advent of the Chinese to the island brought with it cultural and commercial relations that have lasted for over 200 years. The footprints of these early Chinese arrivals are detectable in so many ways. Prominent (but not limited to these) among them are the Le Caudan and Champ de Mars temples, built in 1842 and 1895, respectively. The Chinese Middle school built in 1912 also falls within the category of the early Chinese engagement in the socio-economic activities in Mauritius. The Chinese, no doubt, formed part of the early history of Mauritius, and some of these footprints have survived till today. Meanwhile, despite the pre-independence relationship that flourished between the peoples of the two states, Western influence arising from their diplomatic row with the PRC delayed the establishment of diplomatic relations between the two states till four years after Mauritius independence (Hin, 2014). Although trade relations, which were at very low volume, had existed between the two states even before the establishment of diplomatic relations, the formalization of ties elicited an increase in bilateral relations that cut across various sectors. The two states signed agreement on economic and technological cooperation, and a mutual beneficial cooperation agreement of 1982.

The agreements have grown the confidence of the players in the bilateral relations, and have encouraged the involvement of Chinese firms in the construction sector of Mauritius. China Building Engineering Corporation, Yunnan International Company for

Economic and Technological Cooperation are actively involved in the execution of various projects in the island nation. The growing friendly relations between the states have ensured the inflow of Chinese infrastructure aids to the island. Among the infrastructures that have benefited from the Chinese assistance include sports stadium, bridges, airports terminals, Activity Centre for the aged, low-cost residential houses, etc. The bilateral relations have equally taken on educational and cultural exchanges. The states signed agreement on cultural exchange in 1980, and it has occasioned mutual visits of cultural troupes from each other. Also, as part of its obligation to building long term broader bilateral relations that would equally benefit the economy, China has been offering quota scholarships to Mauritians since 1981 (Chinese Foreign Ministry, 2006).

Furthermore, the growing warm relationship between the two states has not only impacted directly the infrastructural and educational sectors of Mauritius, it has as well witnessed the influx of large Chinese labour into the country. According to the Chinese Embassy in Mauritius (2004), "Mauritius is the country which China sends labours mostly." The embassy revealed that Chinese labour in the country exceeds 11,000, and are mainly engaged in textile and clothing enterprises. It also showcased a sign of growing trade relations between the two states. The total volume of bilateral trade stood at US\$96.136 million in 2001, representing Chinese export of US\$87.184 million, and import of US\$8.952 million. Meanwhile, as the above trade figure shows a glaring imbalance against Mauritius, China exports mainly textile materials, clothes, grains, foods, shoes, light industrial products and machinery to Mauritius, and imports products like frozen fish in return. The trade imbalance has resulted from the little or unavailability of Chinese needs among Mauritian exports. According to Chinagateway (2004), "Mauritius could hardly offer anything to our needs." The same source equally

stressed that St Louis is not imposing increased importation on Beijing, but may rather demand more investment and improved economic cooperation as a recompense.

However, in spite of the fact that the trade relations are in favour of China, it has been argued that the economic relations still benefits Mauritius. In this regard, Acharaz (2009) stressed that the recent engagements by the two countries which have attracted more Chinese investment into the economy, like the Tianli Group investment in the textile and clothing industry, would increase the FDI portfolio coming from China. He further asserted that the resilience and dynamism of the Mauritian export market, especially its textile industries, coupled with positive government policies towards the sector, have ensured that the adverse effects of competition with China in the sector have spurred players in the sector to involve new innovations and techniques that have been utilized in turning some of the challenges to prospects. To this end, he argued that the competition with China in the textile sector has propelled Mauritians to improve their brands and even sourced other markets outside Europe, especially SADC and COMESA for exports, leveraging on the opportunities of preferential trade in the regions.

Sino-Mauritian economic relations are part of the bilateral relations entered into by China in the region that have shown serious efforts by both parties' balance of the benefits accruing from it. Not just that Mauritius has a long standing historical relationship with China, the two states have made efforts to reduce the imbalance in trade which presently favours China. As similar with most states of the region, Mauritius exports very little that interests China and imports massively the country. The two states compete strongly for market shares in the export of textile materials. To compensate for the trade imbalance, China has increased its patronage of Mauritian's tourism sector. Cultural exchanges and easing of travelling requirements have been employed by the two states to boost the visit of the Chinese to the country. In addition, there have been direct Chinese investments in

the development of the tourism sector in Mauritius. All in all, the bilateral relationship is very healthy and beneficial to both parties.

- **Sino-Mozambican Economic Relations**

Sino-Mozambican economic relations make up one of such Chinese engagements in Africa that have exhibited unique features. The relationship covers collaboration in the areas of infrastructural construction, tourism development, investment in energy generation, interactions in the areas of agricultural development, establishment of industries, development and upgrading of the transportation and communication sectors, education and research, and poverty reduction and financial institutions. While thematic collaboration that centres on these sectors may showcase no difference from the fulcrums of other Sino-African relations, the distinctiveness of Sino-Mozambiquean economic relations lies in the inherent factors that drive and determine the pattern of the bilateral engagements. In this vein, the focus is on the flexibility of the Mozambiquean government to navigate between the inter-play of the influence of the Western and the Chinese partners and align them with its own economic objectives. Meanwhile, before elaboration on this uniqueness, it would be noteworthy to briefly trace the historical evolution of the Sino-Mozambiquean bilateral relations.

The evolution of the bilateral relations between China and Mozambique just like most of other Sino-African relations stems from the pre-independence cooperation between the PRC and the liberation movements. In the Mozambiquean case, it was the pre-independence cooperation between the PRC and the FRELIMO liberation movement that metamorphosed into the present day relationship. Accordingly, Roque (2009) noted that the relationship dates back to the 1960s when PRC provided military aid and diplomatic assistance to FRELIMO. She reveals that even as the communist rivalry between the

USSR and PRC became a major issue in the Eastern support for African liberation movements, FRELIMO as a result of diplomatic astuteness was able to maintain relations with the two communist blocs, even when it tilted more to the USSR, occasioning it to declare itself a Marxist-Leninist state in 1977. The support from the PRC immensely aided FRELIMO in its struggle against RENAMO, supported by the apartheid South African and Rhodesia. Thus, as revealed by David Shinn (2012), FRELIMO continued to get PRC's support, though in small scale, even when the Asians were more receptive of the FRELIMO breakaway faction, COREMO. The relationship continued in this form until the early 1970s when COREMO faction fizzled out and Beijing's full support was thrown behind FRELIMO which was at the same time receiving the full backing of the USSR. At independence in 1975, Mozambique recognized China, thus being one of the African countries that never recognized Taiwan. Meanwhile, as noted by Shinn, despite the 1975 recognition of PRC by Maputo, because of the pre-independence experience, the Mozambiquean communist leaning was more to the USSR, and that coupled with diplomatic spat between Maputo and Beijing over the latter's war with Vietnam and the former's support for the USSR incursion into Afghanistan, the relationship between Beijing and Maputo was strained in the 1970s. The strain in the relationship continued until the 1983 devastating famine and flooding provided the needed impetus for the normalisation of ties between the two states. The Chinese in 1984 gave Mozambique US\$20 million economic aid and it kick started an era of growing bilateral relations between the two, as it was followed by the 1980s series of bilateral agreements. The relationship continued with intermittent slowdowns until the dawn of the 21st century when economic consideration took the centre stage of the ties.

The uniqueness of Sino-Mozambiquean relationship stems from the fact that following Maputo's economic reforms of which it abandoned state socialism for free market

economy, it began to interact with the West and its institutions like World Bank and IMF. The funding of economic recovery from the Western financial institutions no doubt has influence on the economic policy direction of the country. The warm working relations with the Western institution resulted in aid inflow and foreign funded projects and witnessed its first debt cancellation and helped the economy's relative growth and poverty reduction by 22% in 1997. With the normalisation of the Sino-Mozambiquean relations that witnessed US\$20 million incentive fund in support of Chinese firms operation in Mozambique, the US\$20 million debt cancellation agreement of 2004, the stage was set for more beneficial economic engagements between the two states; and more importantly, the efforts to maintain a balance between the Western and Chinese influence, and the independent policy objectives of the government. Other notable economic cooperation between Beijing and Maputo according to Roque (2009), are the 2007 US\$170 million Chinese loan in support of agriculture, technology, education, health and natural resources exploration; the injection of US\$60 million Chinese FDI in by 2007, the US\$15.6 million loan to the government to be repaid between 2013 and 2025, the construction of public buildings like the 45,000 seating capacity National stadium and the parliamentary buildings. Also, irrigation projects, the US\$10 million Soya processing plant in Beira, the US\$300 million hydroelectric dam in Maputo, the construction of about 600Kilometres of roads, (about one-third of the national road construction), the US\$55 million urban water supply in Maputo, Beira and Quelimane, and investment in agricultural development and banking system; and the US\$2.3 billion dam and 1.5 megawatts hydro electric plant largely financed by the China Exim bank form part of the increasing bilateral relationship. The aforementioned have contributed in the increment of the bilateral trade volume from US\$120 million in 2006 to US\$284.11

in 2007, and have attracted a preferential trade policy from China in which about 442 Mozambiquean products have been given free access to Chinese market.

Analysing the extent of Chinese investment in Mozambique, Kamemba (2012) remarked that the investments cut across various segments of the Mozambiquean economy, with the construction sector being more important to Beijing. He revealed that trade between the two states rose by 48% in 2008 from the 2007 figure, and was mainly aided by the Chinese increased importation of Mozambiquean oil seeds, sawn woods and chromium ore but still trail the volume of trade between Mozambique and Euro zone and South Africa. He stressed that while Mozambiquean imports from China are mainly industrial finished products; it exports wood products, vegetable products, precious stones, and cotton in return. He however disclosed that the Chinese are involved in illegal fishing, poaching and timber logging in Mozambique. Similarly, in his further analysis of the bilateral relation, Shinn (2012) contended that the trade relations between the two states are modest, but continued to be in favour of China. He opined that the trade involves the exportation of primary products of aluminium, oil seeds, cotton, seafood and timber by Mozambique to China and importation of construction materials, machinery, motorcycles, motor vehicles, electronics products and footwear from China in return. He disclosed that the relationship has occasioned the influx of Chinese labour into Mozambique, and it has combined with the cases of illegal logging by the Chinese to fuel anti-Chinese sentiments by the Mozambiquean public. Consequent upon the growing resentment against the Chinese in some quarters, Jorge Njal (2014) has emphasised that issues revolving around the presence and the activities of the Chinese in the country have formed a topical subjects of the Mozambiquean politics, especially during electioneering campaigns between the country's three major political parties-FRELIMO, RENAMO and MDM. He notes that while FRELIMO argued that it would continue to pursue economic

partnerships that guarantee non-interference in the domestic affairs of the state, a reflection of the nation's relations with China, the opposition parties of RENAMO and MDM blame the unregulated Chinese timber trade in the country as responsible for corruption in government.

The foregoing is the exposition of the pattern of economic ties between China and Mozambique. Apart from the highlighted areas and patterns of cooperation, as veiled earlier, the relationship is quite unique as it has created a special pattern that is not present in other Sino-African relations. Unlike most Sino-African relations that are driven by infrastructure financing tied to resource security, Sino-Mozambiquean economic ties form part of a broader international interaction that accommodates the warm relationship of both the West, its financial institutions in one hand, the Chinese economic model, and the country's independent policy directions. The relationship creates a pattern in which the country receives aids from the West with its reforms conditionality, and still engages China in funding infrastructure projects. The pattern has proven to have somewhat diluted the Chinese model in which every project funded by China or its firms attract conditions that mandate Chinese companies as the executors. For instance, such Chinese conditionality was absent in the US\$2.3 billion Mpanda Nkua dam of which Chinese Exim bank finances largest percentage of the project. The project according to Roque (2009) was awarded to a Brazilian firm, Camargo Correira and its Mozambican partner, Insitec in 2003. Apart from this unique feature in the bilateral relations, the designation of the Mozambique as one of the Chinese industrial hub in Africa has no doubt contributed to the influx of Chinese FDI to the country. Chinese industrial establishment in the country has brought with it job opportunities, human resources development through the training of the local staff in industrial skills. All these

have made the bilateral relations a mutually beneficial one, notwithstanding the criticisms it has attracted from some sections.

- **Sino-Namibian Economic Relations**

China and Namibia established diplomatic relations on 22 March, 1990, a day after attainment of full independent by the latter. The relationship grew from long outstanding friendship that existed between the PRC and the liberation movement in Namibia during its colonial era. With the establishment of diplomatic relations between the two states, their bilateral cooperation took firm root, impacting several sectors such as the political, economic and socio-cultural facets of life in Namibian. It has elicited quite a number of official visits by the representatives of both states. It has equally taken on trade, infrastructural building, mining and agricultural development, education and health assistance, cultural exchange; cooperation at international level, city-to-city relations, and cooperation in communication, science and technology (Chinese Embassy in Namibia). In the trade sector, the volume of bilateral trade between the states has continued to expand. The total volume of trade at the inception of bilateral trade relations in 1992 was US\$120,000. It has however increased to US\$500 million in 2011 and US\$679 million in 2012, accounting for US\$439 Chinese export and US\$240 million import in 2012 (Nunuhe, 2013). The trade pattern entails that while China exports mainly mechanical and electrical equipment, clothes, shoes, hardware, tourist products and other finished products to Namibia, it imports basically mineral and marine products, hides, live ostriches and other primary products in return (Chinese Embassy in Namibia).

The balance of trade as highlighted above is no doubt in favour of China. This is the direct consequence of the trade pattern, as Namibia imports more than its exports to China. Meanwhile, in order to address the trade imbalance and reduce deficit accruing to

Namibia, the two states have entered into some agreements aimed at boosting Namibian exports to China. One of such agreements is the 2013 pact that would ensure the exportation of Namibian fishery products to China. That is in addition to the opportunities provided by the zero tariff treatment of 95% products from least developed African countries that Namibia enjoys. Similarly, the two states are equally negotiating the modalities of exporting Namibian beef to Chinese market (Nunuhe, 2013).

Under infrastructural building, China has been providing financial assistance in the form of grants, interest free and low interest loans to Namibia to build its infrastructures. The assistance in this regard has helped the country in the construction of quite a number of projects like roads, low cost housing, public houses, water supply facilities, Day care centre for children, and irrigation projects, etc. In addition to infrastructural development based cooperation, China has equally been of assistance to Namibian education and health sectors. Beijing has been offering scholarship to Namibian students to study in Chinese institutions. It has also been sending lecturers, laboratory and teaching facilities to Namibian institutions of learning. In the health sector, it has been deploying health experts to the country, and has likewise been engaged actively in the fight against HIV/AIDS through the provision of logistics and varying assistance to victims of the disease. Chinese assistance to Namibia has also made an in-road into agricultural development. It has been donating tractors, machineries and other equipment aimed at improving agricultural production in the country (Chinese Embassy in Namibia). Furthermore, the bilateral economic relations have as well impacted the mining development in Namibia. Chinese investors have been engaged in mining extraction in the country. An outstanding example in this regard is the Husab uranium mine project. The 20 billion Namibian Dollar project is a joint venture between the Chinese owned Taurus Mineral (90% stake) through Swakop uranium and Namibian owned Epangelo

Mining Company (10% stake). On the completion of the project, Namibia would become the second largest uranium producer in the world (Steenkamp, 2014).

Moreover, the bilateral relationship that was built on the principle of equality and respect for territorial integrity of each other has spurred Namibia to pursue One China policy, thereby undertaking not to have any official ties with Taiwan. Sino-Namibia ties have also involved cooperation in the area of communication, science and technology. The two states have reached an agreement that ensures that Namibian Broadcasting Cooperation (NBC) and China Central Television (CCTV) rebroadcast some programmes produced by each other. Similarly, Namibian Press Agency and the Chinese Xinhua News Agency have also entered into a pact that provides for exchange of visits and sharing of information. In the area of science and technology, especially in the space technology and monitoring, Windhoek has supported Beijing in its establishment of space tracking, telemetry and command station in Namibia. In the same way, from the account of the Chinese Embassy in Namibia, the cultural exchange agreement between the two states has made it possible for exchange of visits by different cultural and arts groups from both countries. Similarly, as mark of cordiality in the bilateral relations, city-to-city relations have ensued between cities across the two states. Accordingly, Shanghai and Windhoek, Zhengzhou and Mariental; Kunshan and Grootfontein have all established friendship relations. The warm relationship has equally been witnessed at the international level. This was made evident when Namibia became the first state to support China's bid for World Expo 2010 in Shanghai.

Meanwhile, as the bilateral relations continued to grow in bounds, there has likewise been increase in Chinese involvement (both corporate and individuals) in the economic activities of Namibia. The engagement cuts across main and small scale sectors. The growing Chinese involvement has been felt in the retail business as well. Chinese

involvement in these sectors is on trajectory and the imprints are felt across the country. The Asians have been instrumental to the infrastructural development of Namibia through state and private financing of projects under soft loan and aid packages. They also engage in the retail of affordable goods, sourced mainly from China. These, together with the provision of needed infrastructures, have helped in the improvement of the living standards of Namibians.

The involvement of Chinese in the retail businesses in the country has no doubt elicited negative sentiments towards the Chinese in the country. The locals complain that the Chinese deprive them of business opportunities, as they find it difficult to compete with them. The influx of cheap Chinese products has as well had damaging effects on Namibia's local manufacturing output, but when critically evaluated, findings revealed that Namibia from the inception of full independence in 1990 has not done enough to develop its manufacturing base; thus, the arrival of affordable Chinese products cannot be solely blamed for the poor performance of the local industries. Notwithstanding the above, as stressed by Jananmh (2014), while the bilateral relations continue to grow stronger, involvement of more Chinese in the Namibian economy could likewise increase and could certainly come with some benefits, but could also bring criticism from the section of the Namibians society whose economic opportunities are allegedly being hampered.

- **Sino-Seychellois Economic Relations**

Seychelles, just like the other two Indian Ocean states of Mauritius and Madagascar has one of the oldest Chinese presence in the Southern Africa region. The early Chinese presence is a product of direct migration from the Chinese mainland, Mauritius and other neighbouring countries. With the arrival of the Asians in the island nation dating over

150 years, Chinese culture has invariably become an integral part of Seychellois history. To cement this long standing relationship, the two countries established diplomatic ties in June, 1976. Since then, the bilateral relations have grown in bounds. The warm relationship has taken root in political, socio-economic and cultural spheres. It is built on principle of mutual respect and equality, in spite of the huge disparity in size and status of the two nations. The cordiality in the relationship has occasioned several official visits by the governments and the representatives of the states, and has equally attracted Chinese grants and infrastructural aids to Seychelles. Beijing has helped in building the National Assembly complex, judicial building, schools, stadium and houses for Seychelles. In addition, China offers over 100 scholarships to Seychellois annually (Zhongjun, 2013).

The relationship has witnessed the signing of a number of bilateral agreements. The two countries have pacts on economic and technological cooperation aimed at avoiding dual taxation and prevention of tax evasion. They equally commenced mutual beneficial cooperation since 1998. Before then, the treaty on cultural cooperation was signed on 29 April, 1983. The bilateral pacts have no doubt impacted the overall economic relations between the two states. In addition to educational assistance earlier mentioned, since 1985, China has been deploying medical teams to the country. Similarly, a number of Chinese firms are involved in the execution of projects in the country. Some of the firms are China Building Engineering Corporation, Shenyang Company for International Economic and Technological Cooperation, etc. In the same vein, trade between the states is flourishing, albeit at size and in favour of China. The total volume of trade between them in 2002 was US\$1.48 million. This consisted of US\$1.47 million Chinese export and US\$100,000 import (Chinese Foreign Ministry, 2006). Moreover, the economic relations have elicited the inflow of Chinese FDI to Seychelles. The FDI inflow increased

from US\$0.36 million in 2009 to US\$12.28 million in 2010. Likewise, Seychelles has benefited from the US\$20 billion FOCAC credit that China granted to Africa countries (Dalby, 2013).

Seychelles is a small island nation with economic base entrenched on tourism. In order to boost its economy through tourism, the two states have signed memorandum of Cooperation. The agreement undertakes to boost cultural exchanges between the two states and to stage a yearly Sino-Seychelles cultural week in China. This is aimed at promoting Seychellois tourism to Chinese public and travel agencies. The initiative targets the increment in Chinese visitors to the island to 30,000 annually. The agreement also provides for Chinese assistance in the development of Seychelles Aquatic Park. (Seychelles.travel). Also, with the determination of boosting the Seychelles economy, the two states have signed a mutual visa waiver agreement. The objective of the agreement is to facilitate easier movement of people between the two states, and to boost investment, cultural exchange, educational ties; and more especially to attract more Chinese visitors to the country (ForImmediateRelease.Net, 2013). Consequently, the bilateral cooperation has begun to yield results in the Seychellois economic growth with more Chinese visitors coming to the island. China is the fourth leading market for the country's tourist industry, attracting over 11,000 Chinese visitors in 2014 (Uranie, 2014).

A critical assessment of the primary and secondary data on the bilateral relations between the two states reveals that the cooperation has yielded mutual beneficial outcomes. Despite the huge trade imbalance against Seychelles resulting from low export base of its economy, Chinese infrastructural aid assistance and FDI inflow mostly destined to the tourist sector of Seychelles' economy have greatly improved living standards and government earning.

- **Sino-South Africa Economic relations**

South Africa is no doubt the dominant economy in SADC region. It accounts for about 70% of SADC total GDP (Lee, 2011). The relationship between China and South Africa dates back to the South African colonial period. Though no official diplomatic relations existed between the apartheid regime and the Peoples Republic of China (PRC), the PRC was actively involved in the support of liberation struggle against apartheid, providing arms and other logistic support to the anti-apartheid movement, Pan African Congress (PAC). In reciprocate, the apartheid regime maintained warm diplomatic relations with the Republic of China (ROC) based in Taiwan, a PRC rival political claimant of China. Historically, the contemporary relationship between South Africa and China could be traced to the 19th Century arrival of Chinese migrants from Mauritius, South Africa in what was then referred to as the British colonies and Boer Republics. The Chinese settlement survived the 1905 repatriation of Chinese labour and went as far as establishing a community in Central Johannesburg. While South Africa foreign relations became a function of the British during the colonial period, understandably, Sino-South African relations were a direct consequence/factor of Sino-British relations. The British influence over South African foreign relations continued even after the attainment of independence by the latter. Consequently, as China descended into a bitter civil war between Republic of China (ROC) and Chinese Communist Party (CCP) in the 1930s, South African bilateral ties just like that of Britain were for the ROC based in Taiwan. That was the beginning of warm relationship that existed between ROC and the apartheid regime of South Africa. Meanwhile, while the CCP established Peoples Republic of China (PRC) and became involved in support for liberation struggles in Africa, the anti-colonialist support was affected by the communist rivalry between the Soviet Union and the PRC. In the light of this, why the African National Congress

enjoyed Soviet military and logistic support, the PRC support went to a rival liberation movement, Pan African Congress (PAC). Notwithstanding the thaw in relations between ANC and CCP following the meeting of the leaders of the parties in Zambia in 1982, the end of apartheid regime in 1994 did not bring immediate diplomatic relations between the South African government, now led by ANC and PRC. Pretoria continued to recognise and maintain diplomatic relations with Taipei. Diplomatic relations between Pretoria and Beijing were only established in 1998 following South Africa's switching of recognition and ties from Taipei to Beijing. This was followed by an official visit by President Nelson Mandela to Beijing in 1999 (Alden & Wu, 2014). Since then, relationship between the two states has grown from strength to strength. Most significant evidence of the growth in relations is the surging bilateral economic ties between the two states. The PRC is today South Africa's biggest trading partner. South Africa's export to China increased from US\$1.36 million in 1998 to US\$ 4.91 Billion in 2008, while China export to South Africa increased from US\$ 6.27 million in 1998 to US\$ 11.2 billion in 2008. The increasing South African trade with China is recorded with gradual decline of trade between South Africa and her traditional Western trading partners (Walters, 2013).

In his assessment of Sino-South African relations, Yazini (2013) emphasised that bilateral economic ties between the two states have continued to expand, touching various sectors. Accordingly, he maintained that the relationship has witnessed several bilateral agreements of cooperation. Among some of these cooperation agreements are the 2010 Memorandum of Understanding (MoU) between China and South Africa on the clean energy production, power transmission, railways; and the US\$303.6 million loan granted to South African phone operator, Cell C, by the China Development Bank. He highlights that the growing confidence in the bilateral ties has witnessed an increase in

trade volume between the two states, making China, South Africa's number one trading partner since 2009 when the total trade value reached US\$14.1 billion, and has further increased to US\$45 billion in 2011, thereby displacing the South African traditional trade partners, USA, Japan, Germany and India. Yazini (2013) also revealed that while the bulk of South African export to China are mainly on mining primary products like iron and steel, heavy chemicals, nonferrous metals, the country in return imports finished industrial products from China. Major commodities of import include clothing, machinery, electrical appliances, communication equipment, furniture and footwear. Yazini (2013) claimed that the economic ties equally involve the investors from the two states deploying FDIs to each other. In this regard, he outlined the following:

- The China-Africa Development (CAD) agreement with cement producer, Jidong Development Group to establish cement company worth more than US\$200 million in Limpopo province of South African.
- Chinese automotive company (First Automobile Works)'s US\$100 million vehicle assembly plant in Easter Cape of South Africa.
- The US\$5.46 billion investment into Standard Bank of South Africa by Industrial and Commercial Bank of China (ICBC).
- The Over 50 breweries opened in China by SABMiller of South Africa.

However, notwithstanding the above bilateral engagements, Yazini (2013) maintained that trade between the two states is presently unbalanced against South Africa. He therefore opines that the trade would benefit South Africa if it could secure China's collaboration in kick-starting its own industrial revolution, by adding value to its products, and reducing its reliance on primary products for exports.

Meanwhile, while analysing the implications of the partnership between China and South Africa, Dave Macdonald criticised the current economic ties in which South Africa exports primary products to China and imports cheap Chinese manufactured products. He highlighted that the trade pattern has encouraged the flooding of South African market with cheap and sometimes sub-standard Chinese products, thereby weakening the South African industrial production especially the textile, motor and electrical sectors. He argued that while volatile labour union issues and bureaucratic bottlenecks involved in the issuance of manufacturing certifications may have encouraged the importation of Chinese products which take lesser time to process the import certification. The implication of the trade pattern is quite far-reaching, as in addition to undermining South African manufacturing capability, it gives impetus to unemployment problems in the country and adversely affects the economy in that it contributes to rendering it a primary product producer. He therefore contended that by ensuring a fair play ground in which manufacturing certification process is simplified, and import duty increased; South African manufacturing sector would improve and greatly benefit the economy as values would be added to the products for export and at the same time create more jobs since more hands would be engaged in the sector.

In their further analysis of the elements of Sino-South African relation, Alden and Wu (2014) noted that the relationship has some peculiarities that distinguish it from China's relationship with most African states. Specifically, they highlighted that unlike in most African states where economic ties with China are aligned to infrastructural financing in exchange for resources extraction, Sino-South African economic ties involve two-way investment by the players of the two economies. Accordingly, they argued that the warm economic relations between the two states have given lead to increased trade between the two, resulting in China becoming South Africa's largest trading partner with trade value

rising from ZAR205 billion in 2012 to ZAR270 billion in 2013. They however noted that in-depth study of the economic tie reveals that it has continued to increase deficit for South Africa, due largely to its importation of value added products from China in return for the latter's importation its mineral products. They suggested that if ICBC's US\$5.5 acquisition of 20 in Standard Bank, a non-employment generating investment is taken out, China's FDI to South Africa is still very minimal when compared to South Africa FDI in China. They revealed that South Africa's FDI in China in 2010 is estimated at US\$800 million in 2010, while China's FDI in South Africa stood at US\$5,077 million in 2012. Also, The FDIs from other trade partners in South Africa are still higher. Specifically, they outlined that European Union had a total FDI valued at US\$124,269 million in South Africa in 2012, while the United States of America had a total of US\$11,711 million at the same period. They attributed the low Chinese FDI in South African economy to the difficulty the Chinese face in penetrating the South African matured markets, especially its mining sector. They argued that the difficulty is a result of the stiff competition and strong regulatory regime applicable to South Africa, unlike most African economies that are at their developmental stages, and therefore offer the Chinese easier passage. However, they are optimistic that recent expansion of some Chinese firms already in the country, such as the Hisense electronics, and the interest shown in recent times by some to go into joint ventures with South African local firms have the potential of improving FDI inflow from China to South Africa, and making the economic ties more beneficial to both partners.

South Africa is not only the leading Chinese trading partner in Africa, but has until recently recorded favourable trade balance with the Asian giant. As already pointed out in some of the literatures reviewed, South Africa imports mainly finished products from China and exports predominantly primary products in exchange. The operation of South

Africa SABMiller and other companies in China has greatly expanded the scope of the economic ties, while the participation of the Chinese in the finance and banking sectors of South African economy through stake acquisitions has helped to reduce trade deficit against Pretoria.

Despite these efforts, appraisal of the data collected has shown that the influx of cheap finished products from China to South Africa, especially textile, shoes and foot wears has adversely affected the performance of the local players in the sectors. This has invariably contributed to the rising import bill of the country and the growing unemployment problem that it faces. Considering cheap labour and other comparative advantages available to the Chinese firms, it is very difficult for the local industries in South Africa to compete favourably with the Asians. However, the affordability of the Chinese products has meant that the purchasing power of the average and low income earners in South Africa has improved, thus improving their living standards. All together, the economic relations favour China, even as South Africa still derives benefits from it. This warm relationship has contributed to the country's membership of BRICS, a development that has enhanced its national prestige as global player.

- **Sino-Swaziland Economic Relations**

Swaziland is the only state in the SADC region that does not have diplomatic relations with Beijing. The former British colony that got her independence in 1968 is a traditional monarch of the Swazi nation of Southern Africa. Since independence, the Kingdom has maintained a warm relationship with Taiwan, rebuffing all entreaties and pressure to abandon its Asian friend. As a result of this, it is quite difficult to ascertain the level of economic relations that exist between this tiny mountainous Southern Africa state and

Beijing if any (historyworld.net). Thus, there was difficulty in obtaining useful information about economic relations between the two states. There could be private economic transactions between the nationals of the states, but no official or documented accounts support this assumption.

- **Sino-Tanzanian Economic Relations**

The relationship between China and Tanzania is one of the foremost bilateral relations entered into by the PRC in African continent. Diplomatic ties between the two states came to effect in 1964, the year the United Republic of Tanzania was born from the amalgamation of Tanganyika and Zanzibar. Since the inception of the relationship, it has yielded some appreciable results that have attracted the attention of analysts and commentators. At the earliest stage, the relationship was defined by political consideration. At that time, the PRC's support for anti imperialist movements in Africa dominated its engagement in the continent. Being a major force in the continental struggle against colonialism, Tanzania under the leadership of Julius Nyerere, was well placed to cultivate good relationship with the PRC which support for African liberation movements forms part of its global anti-imperialist and communist expansion ideologies. (Altorfer-ong, 2014). Thus, as the Tanzania anti-colonial policy intensified, the PRC's support became handy. One of the most striking Chinese assistance in this regard was the construction of the 1860 Kilometres of railway linking Tanzania and Zambia. While the infrastructure may be viewed from the economic perspective, the concept that drove its construction cannot be detached from the wider anti-colonial agenda of the PRC and the African leaders of the time. In this vein, it was conceived to help reduce the reliance of some states of southern Africa on apartheid South African's infrastructures, especially ports and transportation systems, which the regime utilized to continue its frustration of the anti-colonial movements in the region and therefore maintained its hold on their

economic freedom and perpetuated their dependency (Chinese poster.net (2013). Meanwhile, the relationship that was conceived to achieve certain political objectives marked 50 years in 2014, and there is no doubt that unlike the political factors that formed its initial setting, economic consideration has become the driving force of the ties today. Looking at the economic aspect of the Sino-Tanzanian bilateral relations, Elinaza (2015) noted that though the bilateral trade relations between the two states started at a low tempo with insignificant volume, it has rapidly grown so much so that by 2007 the trade value stood at US\$290 million, consisting of US\$180 million Chinese exports to Tanzania, and US\$110 million imports. The 2013 total trade figure of US\$3.7 billion (US\$3.1 billion Chinese export, and US\$600 million import), the inflow of Chinese FDI worth US\$2.5 billion and loan of US\$1.9 billion to Tanzania in 2014; the Chinese designation of Tanzania as one of its investment hubs in Africa, he argued, is an indication of the rapidly growing importance of the trade relations.

As the bilateral economic relations continues to grow, it has at the same time elicited the confidence of the officials of the two states in their assessments and belief that it has yielded a win-win outcome. In line with this thought, Abdulrahman Shimbo, the Tanzanian Ambassador to China in an interview with China.org.cn (2014) noted that the growing relationship between the two states has made China the country's second largest investor, with the United Kingdom (UK) coming first, and that aspects of the investment that are not limited to the key sectors of energy, infrastructure, agriculture, health, tourism, environmental protection and education have enormous potentials of becoming the top investment sources to Tanzania in no distance time. Shimbo (2014) highlighted that the investment in energy is very vital to the country's economic growth/development, as it could help in addressing the problems faced in powering some critical sectors like schools and factories, as well as being capable of unlocking the

economic potentials of the state by providing the motivation for more investment inflow such as heavy industries into the country. He revealed that the Chinese investment in the energy sector includes the construction of pipelines that would convey natural gas from Mtwara to Dar el Salam, and believes that the completion of the project would result in the generation of about 2,300 megawatts of electricity to the national grid. He equally disclosed that the Chinese investment in the energy sector is not limited to gas, but also include coal, wind, solar and hydrogenation. In his appreciation of the relationship, Shimbo (2014) described China as one of the friendliest countries to Tanzania, reiterating that China offers his country preferential and commercial loans with low interest rates; and that unlike like the Western companies, the Chinese are ready to take risk. He also contended that not only that the Chinese deliver quality and affordable projects, they execute the projects in time and engage in skills transfer to the locals. Very importantly, he disclosed that the Chinese do not interfere with internal affairs of his country. The positive appraisal of the relationship is not limited to the Tanzania officials, but has equally gained the applause of Chinese officials as well. In an interview with ChinAfrica, a deputy Director of the Department of Western Asia and Africa Affairs of the Chinese Ministry of Commerce, Jianchang (2014) described the Sino-Tanzania bilateral trade as comprehensive trade relations. He traced the relationship to the two states' involvements in the construction of the Tazara railway in the 1970s, and highlighted that the present relationship pattern takes a strand in which Tanzania exports agriculture and mineral products to China and imports finished products such as electronics and textiles from China. He revealed that under the framework of Forum on China-Africa Cooperation, 95% of Tanzanian goods would from 2015 attract tariff free to Chinese market. The economic ties according to Jianchang (2014) included the construction of Bayamoyo port project which would require the construction of a dock, logistic centre and industrial

park; and the upgrading of Tazara railway, the engagement of preferential trade policies and the deployment of more Chinese capital to Tanzania just like in other Sino-African ties. He also maintained that the relationship has created wider scope and flexibility for future cooperation. He attributed the success of the bilateral relationship as partly due to strong Chinese exchange reserve that ensures the deployment of large Chinese foreign aid to African countries, not just Tanzania.

Exploring issues related to the growing Sino-Tanzanian bilateral relations, Barasa (2014) hinted that apart from the trade volume that rose to US\$3.7 billion in 2013 and the Chinese private investment of US\$2.5 billion the same year, over 500 Chinese firms engaged in various businesses in Tanzania within the same period. He emphasised that the 2014 visit of the Tanzanian president to China had offered the opportunities for the two states to highlight issues relating to their ties. In this vein, Barasa (2014) disclosed that while in China, President Kikwete affirmed that the relationship is on the upward movement and very beneficial to his country. Accordingly, the President revealed that his country had registered projects worth over US\$2.490 billion from China through Tanzanian Investment Centre (TIC) coming mainly to the manufacturing sector, and expected the investments to create about 77,000 jobs. Also, Barasa (2014) disclosed that TIC statistics for 2012/13 indicated that the total trade value of slightly above US\$1.595 billion bilateral trade recorded Chinese export to Tanzania of more than US\$1.099 billion, and import of US\$495.74 million.

Despite the growing bilateral economic ties, the highlighted figures are indications that the trade balance is grossly in favour of China and must be addressed to achieve meaningful benefits for the parties. Against this backdrop, Barasa (2014) highlighted that they had entered into a number of bilateral agreements which included the MoUs on the development of Bagamoyo port and Economic Special Zone, National Housing

Cooperation (NHC) that required the deployment of US\$1.7 billion by two Chinese companies. The agreements included the construction of six-lane Kikwate Friendship Highway that would link Chanazi-Kidula-Kitunda-Banana and Julius Nyerere International Airport.

Meanwhile, notwithstanding the aforementioned indications of growing and beneficial engagement between the two states, some analysts still hold the opinion that the pattern of the economic ties has disadvantaged Tanzania. In line with such position, a Guardian reporter via IPP median.com (2011) described the Chinese practices in Tanzania as very inimical to the well-being of the country. The reporter argued that unlike the Chinese of the 1960s-70s that were regimented and disciplined, stemming from the communist ethos in their country, the present crop of Chinese in Tanzania could be described as imperialists, getting involved in unruly and illegal activities like illegal mining, illegal fishing, sale and distribution of fake and sub-standard products, and competing with the locals for small and petty business opportunities. The reporter decried the influx of the Chinese nationals to Tanzania and argued that they had deprived Tanzanians the opportunities to work and earn a living, making eradication of poverty in the country difficult.

The criticisms notwithstanding, findings show that the two states have committed enormous efforts to make the bilateral relations mutually beneficial. The proposal to grant 95% of Tanzania products tariff free entry into China is an indication that Beijing takes the relationship very seriously. When this measure is considered together with the Beijing's plan of making Tanzania one of its industrial hubs in Africa, the employment opportunities it generates, coupled with its educational assistance and other socio-economic aids; it becomes right to argue that the misbehaviour of some Chinese nationals does not constitute and cannot represent Beijing's policy towards Dar es

Salam. The imbalance in trade that accrues to Tanzania in the relationship cannot be blamed on China as international trade is determined by market forces of demand and supply. Tanzania should evolve measures that could encourage transfer of technology now that China is using the country as manufacturing hub, and improve its industrial manufacturing through policy incentives.

- **Sino-Zambian Economic Relations**

China and Zambia have been involved in a long standing relationship. Diplomatic ties were established between the two states in October, 1964. Since then, the states have taken a number of steps to deepen their engagement. The relationship at the political level has been very cordial, prompting several state visits by the leaders of the two states. On the economic sphere, the pattern of relations has taken the similar strand prevalent across other mineral producing African states. Thus, as noted by Hairong and Sautman (2009), the Chinese are conspicuous by their involvement in the Zambian mining, agricultural, construction; manufacturing and telecommunication sectors. Prominent among the products of these bilateral relations is the Chinese construction of Tazara railway, linking Zambia and Tanzania. The construction of the railway, as earlier noted in our discussion of Sino-Tanzania bilateral relations, was conceived to reduce the reliance of the landlocked Southern Africa countries on the transportation infrastructure of the apartheid South Africa. Cooperation between the states has grown in many folds, and has undoubtedly impacted various facets of Zambian economy. As the Chinese Foreign Ministry (2006) asserted, apart from Tazara railway, the bilateral economic relations have engineered the involvement of Chinese firms (state owned and private) in road construction, agricultural and industrial development, construction of public buildings, water supply facilities; and investment in mining and textile sectors, as in the completion of about 33 projects between 1967 and 2006 in Zambia. In addition to the

aforementioned, the bilateral relations have witnessed the opening of the Bank of China branch in Zambia, the first of its kind in sub-Saharan Africa.

The growing ties have equally encouraged increase in trade relations. The total trade volume between the two states in 2002 was US\$83.247 million, representing Chinese export of US\$46.056 million and import of US\$37.191. Related to the burgeoning bilateral economic relations is the growing cooperation in the education and health sectors. Between 1978 and 2002, China has offered 180 scholarships to Zambia students, and has been sending teachers to the Zambia University since 1992. Also, it has been deploying medical teams to the country since 1978.

Consequent upon the aforementioned, the bilateral ties have been described by the officials of the states as a win-win relationship built on the principle of sincerity, friendship, equality, reciprocity; common prosperity and mutual support and closely coordinated by the two states. In this regard, it has impacted Zambian economy in sundry ways. It has recorded upsurge in FDI inflow from China. In 2013, Chinese FDI inflow to Zambia reached US\$2.2 billion, a sharp increase from the 2003 volume of US\$144 million. This is in addition to the increase in trade volume from US\$10 million to US\$3.1 billion within the same period. Chinese activities in the Zambian economy have equally created jobs for the locals.

Meanwhile, notwithstanding the positive impacts generated by the relationship, it has come under scrutiny. The growing presence of Chinese labour and malpractices of some Chinese firms in the country has prompted growing anti-Chinese sentiment in the country. The resentment is based on the opinion that they indulge in labour exploitation, anti-union policies, environmental hazards, and poor working conditions for their local staff (Malambo, 2015). However, resentment against the Chinese is very popular in

Zambia and sometimes forms part of its political discourse, especially by the political parties during electioneering campaigns. For instance, the former Zambia President, Michael Sata, campaigned against the presence of the Chinese in the country as an opposition leader, accusing the Asians of taking jobs from Zambia by engaging them in low paid jobs. However, on assuming office in 2011, his position against the Chinese changed, and he began to commend their footprints in the country (Mwanangombe, 2013). Meanwhile, some of the anti-Chinese criticisms have been described as an exaggeration that mainly comes from politicians who utilize it for political gains. Thus, according Hairong and Sautman (2009), the Western media are under reporting the positive contributions of China in Zambia, and only focused on some isolated cases in order to hype anti-Chinese sentiments.

In view of the above, if the somersaulting rhetoric of President Sata is taken into consideration, there is a strong appeal to the position of Hairong and Sautman. While it cannot be argued that Chinese record in Zambia is 100% clean, it should be evaluated on specific bases, and their positive impacts should equally be taken into perspective. The economic fortune the affordable Chinese infrastructural provision and products have brought to the living standard of the citizens of the country cannot be ignored. The non-interference in the internal affairs of the country through aid conditionality on the sovereignty allows Zambia to be in total control of her policies; thus, if there are cases of Chinese violation of the local laws, it is the responsibility of Lusaka to hold the violators to account. Against the aforementioned, it is right to see the relationship in as a win-win engagement, recognising the benefits that accrue to the two states.

- **Sino-Zimbabwean Economic relations**

Just like most Southern African countries, Sino-Zimbabwean relations date back to the era of the struggle for independence.. Historically, the relationship between China and Zimbabwe could be traced to 1979, when after several efforts by the Robert Mugabe led Zimbabwe Africa National Union (ZANU) to secure the sympathy and support of the Soviet Union in its struggle against the colonialists and the rival liberation movement, the Zimbabwe African Peoples Union (ZAPU) led by Joshua Nkomo, was rebuffed by Moscow, decided to turn to Beijing for assistance. With the establishment of the first contact between the two sides in Mozambique in 1979, the relationship began to flourish with active Chinese support to ZANU in the area of training, arms supply and other logistics. Having established a pre-independent relationship by the two parties, the victory of ZANU in the 1980 Zimbabwe elections logically meant the solidification of ties between the Mugabe-led government and Beijing. Consequently, as a sign of warm relationship between the two and also a mark of appreciation for Beijing's support for its liberation struggle, the new Zimbabwean government official visit to China began to occur and was climaxed by President Robert Mugabe's official visit in 1981.

The visit was followed by successive diplomatic, trade and cultural engagements. Thus, the origin of Sino-Zimbabwe relations is the product of ZANU-Chinese Communist party relationship that emerged during the period of Zimbabwean liberation struggle (Eisenman, 2005). Consequently, the relationship between the two states has grown in several bounds. On the economic sphere, bilateral engagements in the area of trade and investment have increased and now number as one of the major themes in Sino-African economic discussion. As is the case in many Sino-African economic relations, a barrage of commentaries has greeted the topic. Accordingly, while analyzing the report of Zimbabwe Economic Policy Analysis Research Unit (Zeparu) on Sino-Zimbabwe

economic relations, Trademark Southern Africa (2011), highlighted that the relationship is characterized by trade practice whereby China exports cheap finished products to Zimbabwe and in return imports agricultural and other primary products from Zimbabwe. In the light of this, it stresses that the trade practice increases the purchasing power of Zimbabweans, generates revenue for the government in the form of custom duties, and is thus utilized by the government in improving capital expenditure and reducing inflationary deficit. At the same time, it reveals, the trade practice also entails that the availability of cheap Chinese products in Zimbabwean market undermines the productive capability of the Zimbabwean manufacturing industries, as they find it extremely difficult to compete with products coming from China. In this regards, it stated that the effects of the Chinese imports into the country has greatly affected Zimbabwean industries, especially the textile sector. Statistically, it highlights that Zimbabwe recorded a total exports to China in the value of US\$167 million and imports of US\$ 228 million in 2010, giving rise to US\$ 61 million trade deficit. Equally, as hinted earlier, Zimbabwean export to China is dominated by raw, unprocessed products from agricultural and mining sectors with tobacco being the major commodity of trade.

Furthermore, in answering questions bothering on Sino-Zimbabwe relations posed by the South Africa Institute of International Affairs (SAIIA), Chun (2014) stressed that the Sino-Zimbabwean relationship is a unique bilateral engagement that is anchored on multi-pillar consisting of political, economic, peace and security, with relatively weak social aspect. He emphasises that the relationship ensures that Beijing provides assistance in sectors that effect the lives of the ordinary Zimbabwean, such as health, food, infrastructure, etc, and limited financial support to the government in addition to political support to Harare. Laing and Thornycroft (2011) stressed that the expansion of warm relationship between China and Zimbabwean ZANU-PF government led by Robert

Mugabe has progressed from then initial liberation support to a level whereby Beijing uses its veto power at the United Nations' Security Council to block sanctions against Harare, and has equally provided more than half a million dollar in direct aid for schools, clinics and transport infrastructure aimed at stabilizing Zimbabwe. Similarly, Mattu (2011) has emphasised that the relationship has greatly impacted several issues in Zimbabwe. Apart from the political support that Zimbabwe enjoys from China at the United Nations Organisation (UNO) following the controversies of 2008 Zimbabwean elections, Harare's 'Look East Policy' (which benefits to the country are debatable), it is evident that China is the largest importer of Zimbabwe tobacco and the country's fourth exporting country in 2009, and has been importing more than its export to China consisting of food products, machinery, fertilizers and general manufactured goods. Equally, the bilateral relations witnessed the 2010 discussion between the two states which included the provision of US\$950 million Chinese loan in support of Zimbabwe economic recovery. Also in the list are US\$1.5 million Chinese aid to China-Zimbabwe friendship Hospital, US\$ 200 million buyer credit facility to the provided by the Chinese Exim bank for the acquisition of agricultural inputs aimed at improving food production in the country. In addition, the deal that requires the investment of Chinese companies in electricity generation in Zimbabwe was equally on the table. According to Mattu (2011), Harare claimed that the project would generate 3,100 Megawatts of electricity. He further contended that the relationship has the potentials of promoting economic recovery in Zimbabwe as it generally lacks political conditionality often attached to Western aids. In the same vein, Chirara and Kachembere (2014) revealed that China's trade with Zimbabwe stood at US\$1.102 billion in 2013. The high volume of state, they claim, is the result of warm bilateral relationship that exists between the two countries. Their statistics shows a growing increase in trade value. Accordingly, the trade value was

US\$197 million in 2003, US\$275 million in 2006, US\$842 in 2011, and US\$915 billion in 2012. They opined that the increase in trade volume was equally precipitated by the growing Chinese demand of Zimbabwean raw materials like tobacco and precious minerals. As evidence of growing bilateral ties, they highlighted that China made a total donation of US\$50 million to Zimbabwe in 2009, and the latter in the recognition of the importance of the relationship has included the Chinese Yuan in its accepted foreign currency medium of transaction. However, they noted that notwithstanding the growing trade volume between the two countries, Zimbabwe is still rated 26th of 58 African trades with Beijing, with South Africa leading the pack with bilateral trade value of US\$59 billion in 2011. Also, Eisenman (2005) posited that the relationship that began with ZANU and China in 1979 has blossomed, and at the present, includes diplomatic support, economic and trade deal, and close military ties. He emphasised that with Western sanctions hanging on Harare, Beijing remains its only major international supporter, and backer in its land reforms and resource exploitation policies. On the sphere of economic relations, Eisenman (2005) contended that China provides Zimbabwe with technical assistance and agricultural equipment. Also, he revealed that Chinese state-owned companies such as China International Water and Electric (CIWE) are involved in direct farming in Zimbabwe. He also explained that China provides Zimbabwe credit for its small and medium sized enterprises (SMEs), and that the economic relations also touches on tourism development in Zimbabwe. Accordingly, Eisenman (2005) highlighted that the two countries have signed a tourism development agreement that could help boost Chinese tourists visit to Zimbabwe from 10,000 to 25,000. He therefore argued that given the economic problem and Western sanction on Zimbabwe, it is understandable why Robert Mugabe's government through its 'Look East Policy' has come to regard China as an important ally, and it offers it access to Chinese credit and infrastructural

assistance, while Beijing utilizes the opportunity to exploit mineral resources and trade deals in Zimbabwe.

In addition, while critiquing the relationship, Moyo (2014) acknowledged the existence of decades of relationship between China and Zimbabwe as a product of ZANU and PRC anti-colonial ties. He however, criticized the relationship on the grounds that China and its firms operating in Zimbabwe are ripping off the country through the execution of sub-standard projects, and the former's utilization of minerals as security for its loan to Harare. Moyo (2014) listed the following projects and incidences as evidence of Chinese involvement in delivering sub-standard projects for Zimbabwe:

- The fraudulent securing of contract for the expansion of the Hwange Thermal power station by China Machinery Engineering Company (CMEC) which it lacks the financial capability to execute, resulting in the delay of the project execution and subsequent cancellation and re-awarding of the contract to another firm.
- The structural defects witnessed in the Cheng plaza in Wetland Harare constructed by a Chinese firm, Anhui Foreign Economic Construction Cooperation (Afec).
- The National Sports stadium in Harare constructed by Chinese company, but had to be closed for 20 months as a result of structural defects.
- The non-delivering of the Kunzvi water project in Harare by a Chinese company, Jiangxi International Cooperation after the elapse of the contract time of completion in 2007.

Moyo (2014) therefore concluded that apart from re-evaluating Sino-Zimbabwean relations, Harare should conduct relations with its partners in all-encompassing business

terms that would save the partnership from being just a temporary benefit of the government in power, driven by the need for Beijing's international support for Robert Mugabe regime; but serves the overall interest of the country. Equally, while providing answers to the questions presented by SAIIA on whether Zimbabweans' negative view of the impacts of Chinese businesses on employment, the economy and commercial relations is justified, Alao (2014) contented that as a result of Chinese violation of human rights and flooding of the Zimbabwean market with low quality goods, the resentment against the Chinese is justified and calls for serious attention.

In summary, Sino-Zimbabwean economic relations just like most Chinese engagements in the Southern African region have both advantages and disadvantages. The impacts of the availability of cheap Chinese products on the living standards of Zimbabweans cannot be ignored. Similarly, the benefits that accrue from Chinese involvement in infrastructural development and other aids in the country cannot equally be disregarded. While the influx of these affordable finished products into Zimbabwean market is quite detrimental to the growth and survival of local manufacturing industries, the overall decline in the economic development of the countries stems from domestic political issues and policies of the government and the local and international reactions that greeted it, and therefore should not be blamed on China. The Beijing support to Harare is normal in international diplomatic circles, as it is common for states to aid their friends and allies, especially when faced with existential threats. The leadership of ZANU-PF as highlighted earlier has had a cordial relationship with the PRC, and it is not out of place that PRC is giving support to its long-time ally.

Summary

As regards the overall economic relations between China and SADC states, the forgoing exposition points to the direction that the economic ties have had multiple dimensional effects. It showed that while states in the region export primary products to China and import varieties of finished products in return, the trade pattern has massively favoured China. Apart from trade, China is also involved in infrastructural development in the region, financing various kinds of developmental projects across the states. Chinese aids in this form do not come with political or governance conditionalities, but with the concession that such projects whether financed by Beijing or Chinese private sector must be executed by Chinese firms. This is the uniform pattern of Chinese aid in the region, except in Mozambique where in some cases, Maputo retains the right to hire non-Chinese contractors. No doubt, the Chinese development aids inflow to the region has impacted greatly the lives of the citizens, giving them access to affordable infrastructures that support economic growth and development. Chinese engagement in this sector has equally created job opportunities for the locals. In addition to these, the affordability of Chinese finished products has contributed to the improvement of the living standards of the people. Similarly, the Chinese FDI inflow channelled, especially to the development of industrial hubs in the region, has as well contributed to the host states' industrial development, and also improved government revenue earning through taxation.

Notwithstanding these benefits however, the trade pattern has contributed to the region's over reliance on primary products for export earning, leading to increase in import bills of most of the non-resources endowed states. As indicated in the table below, China is ranked as the top three trading partners of most of the SADC member states.

Apart from this negative aspects, there are equally cases of unfair labour practices by the Chinese. Similarly, some Chinese nationals have been accused of sale and distribution of fake and sub-standard products in the region. Chinese construction firms have equally been accused of executing sub-standard infrastructural projects. All these, coupled with complaints by the locals of economic competition against Chinese retail business operators, have helped to fuel anti-Chinese sentiments in the region.

Against these outcomes, the study revealed that the relationship has had both positive and negative consequences for the economies of the states in the region. The gains of Chinese developmental assistance must be acknowledged, while the effects of the trade pattern on the lives of the people of the region, and their industrial development should equally not be ignored. The industrial production of most states of the region as shown in the research finding is not improving, while the influx of cheap Chinese goods into the region is on the increase. The free market forces of demand and supply have contributed to the situation, but to make the bilateral relations more mutually beneficial, both China and SADC states should do more to improve the industrial manufacturing base of the region. The designation of Mozambique and Tanzania as Chinese industrial hubs in the region is a welcome development, but efforts should be intensified to drive the project to a fruitful completion. Also, other states in the region should equally be made to benefit from such project, while SADC states must evolve measures that will ensure that their primary products attract added industrial values before exports.

Table 5.1: Top trading partners of SADC states (with percentage share of total export and import trade volume)

	3 Largest Export Partners			3 Largest Import Partners		
South Africa	China 11.8 %	US 8.03 %	Japan 6 %	China 14.44 %	Germany 10.01 %	Saudi Arabia 7.7 %
Angola	China 46.03 %	US 13.9 %	India 10.1 %	China 18.71 %	Portugal 19.5 %	US 7.7 %
Tanzania	India 15.2 %	China 11.1 %	Japan 6.2 %	China 21.3 %	India 16.3 %	South Africa 6.4 %
Zambia	China 43.4 %	South Africa 7.2 %	D.R. Congo 6.7 %	South Africa 36.7 %	D.R. Congo 19.8 %	China 10.4 %
Dem. Rep. Congo	China 54.3 %	Zambia 22.6 %	Belgium 5.7 %	South Africa 22.3 %	China 15.3 %	Belgium 8 %
Botswana	N/A	N/A	N/A	N/A	N/A	N/A
Mozambique	South Africa 31.3 %	Belgium 12.8 %	China 9 %	South Africa 30.5 %	China 12.3 %	India 11.6 %
Namibia	N/A	N/A	N/A	N/A	N/A	N/A
Mauritius	UK 19.3 %	France 16.4 %	US 9.9 %	India 23.1 %	China 16 %	France 8.5 %
Zimbabwe	China 21.1 %	South Africa 15.1 %	D.R. Congo 12.1 %	South Africa 51.9 %	China 10 %	N/A
Madagascar	France 23.4 %	China 6.6 %	US 6.6 %	China 17.7 %	France 14.4 %	South Africa 5.3%
Malawi	Canada 10.6 %	Zimbabwe 9.3 %	Germany 7.3 %	South Africa 27 %	China 16.6 %	India 8.7 %
Swaziland	N/A	N/A	N/A	N/A	N/A	N/A
Lesotho	N/A	N/A	N/A	N/A	N/A	N/A
Seychelles	France 27.7 %	UK 17.6 %	Japan 15.2 %	Saudi Arabia 24 %	Spain 12.1 %	France 5.9 %

Source: Central Intelligence Agency, World Factbook (2013)

Table 5.2: Manufacturing Performance of SADC Countries in US\$. Source: (UNCTAD/UNIDO: From SADC, 2012).

Country	MVA per Capita, 1990	MVA per Capital, 2010	MVA per Capital (Compound Annual Growth, 1990-2010)
Angola	26	66	4.8
Botswana	124	171	1.6
DRC	16	5	-5.7
Lesotho	44	103	4.3
Madagascar	30	25	-0.8
Malawi	21	17	-1.0
Mauritius	525	801	2.2
Mozambique	15	52	6.2
Namibia	92	348	6.9
Seychelles	692	1193	2.8
South Africa	551	581	0.3
Swaziland	331	451	1.9
Tanzania	19	29	2.2
Zambia	36	44	1.1
Zimbabwe	106	34	-5.5

Table 5.3: Contribution of Manufacturing to GDP % of SADC member states.

Source: (World Bank: From SADC, 2012)

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Angola	3	4	4	4	4	4	4	5	5	6	6	6
Botswana	5	4	4	4	4	4	3	4	4	4	4	4
DRC	5	5	5	5	6	7	6	6	6	5	NA	NA
Lesotho	14	19	23	22	22	20	22	20	19	16	13	12
Madagascar	12	12	13	14	14	14	14	14	14	14	NA	NA
Malawi	13	12	11	12	10	9	11	10	10	10	NA	NA
Mauritius	23	23	22	22	21	20	20	20	20	19	18	18
Mozambique	12	14	14	17	18	15	16	15	14	14	13	13
Namibia	13	13	13	15	14	14	16	17	14	15	8	8
Seychelles	19	18	18	16	17	13	12	12	12	11	NA	NA
South Africa	19	19	19	19	19	18	17	17	17	15	15	13
Swaziland	39	42	41	41	40	40	43	44	44	46	42	41
Tanzania	9	9	9	9	9	9	9	9	9	10	10	10
Zambia	11	11	12	12	12	12	12	11	10	10	9	9
Zimbabwe	16	15	13	14	16	17	18	17	17	16	14	11
SADC	14.2	14.6	14.6	14.7	15.0	14.4	14.8	14.7	14.3	14.0	14.6	13.9
	0	7	7	3	7	0	7	3	3	7	0	0

5.2 THE EFFECTS OF SINO-SADC INTER-REGIONAL ECONOMIC RELATIONS ON SADC INTEGRATION

In the preceding section, the bilateral economic relations between China and individual SADC member states were highlighted and certain common trends have been deduced in the relationships. Against this backdrop, subsequent analyses focused on the general effects of the inter-regional economic relations on SADC integration. It explored ways in which the relationship has either hampered or enhanced SADC integration via its influence on the manufacturing sector and intra-regional cooperation of the community. It sought the views of experts and commentators on the fields of regionalism and economic relations and development and other topical issues. It therefore exposed prospects and constraints inherent in the relationship and proffered useful steps to addressing identified challenges.

The study revealed that Sino-SADC states economic relations are one-sided economic ties basically in the interest of the Asians to the detriment of the region's economic growth and development. Even though the ties contribute to the availability of affordable finished products and infrastructural projects to the region, its effects on the industrial manufacturing sector of the region's economies are very devastating. The influx of finished Chinese products into the region in return for primary products from the region is a characteristic of a trade pattern that has not only undermined the industrial capacity of the SADC region, but has equally hampered its intra-regional trade and increased the import bills of the non-resources endowed members of the region. As Chinese products continue to flood the region, declining the industrial production capacity of the region, it worsens the diversity of the intra-regional trade of the region as the member states are now clamped into the production and competition on mainly primary products of agricultural and mineral resources. By mainly producing similar products devoid of industrial value addition, the decline in intra-regional trade volume persists, thus reducing cross-border

cooperation that is very instrumental to forging functional economic integration. The outcome of the economic relationship as pointed above has increased the resentment and the criticism of Chinese involvement in the region. In the light of this, while analysing the nature of the economic relations between China and SADC member states, Afong (2015) argued that the relationship is one sided and in favour of China. She posited that the relationship affords the Asians the avenue to export its finished products to SADC and at the same time benefit from infrastructural construction contracts and mineral extraction rights, while the SADC states gain is the Chinese infrastructural aid that comes with Chinese labour, cheap and substandard goods and projects. She contended that the relationship is driven by economic concern that is basically in favour of China, as it affords her the market for her finished products and source of raw material. Equally, she avowed that economic relations between China and SADC member states have affected intra-regional economic relations within SADC as flooding the region with Chinese cheap products undermines manufacturing capability of the region and by extension its intra-regional cooperation; hence its negative effects on SADC intra-regional economic relations and integration owing to the fact that low intra-regional trade affects intra-regional cooperation, and once intra-regional economic relations are inadequate, it affects the whole integration efforts. Meanwhile, in order to achieve balanced bilateral relationship, Afong (2015) averred SADC states should improve their industrial manufacturing base in order to reduce the influx of Chinese manufacture goods into the regional markets. She equally argued that it is very necessary that SADC member states engage China collectively as that could afford them opportunity of boosting their bargaining power and attracting more in their deals with China. Finally, she emphasized that the study of impacts of economic relations on SADC integration is necessary as it would afford policy maker the opportunity to understand the general issues that economic relations make on the regional integration efforts, and that the knowledge would be

beneficial to the region by enabling the regional leaders to critically evaluate the issues and effect necessary changes in their economic policies.

Also, in agreement with the above position, Nnaeme (2015) argued that the nature of the relationship is such that favours the most economically powerful at the expense of the weaker partner, for it benefits China's companies and its export market to the detriment of SADC. He further stressed that the relationship has affected intra-regional economic relations within SADC as China's relations with other SADC member states serve a divide a rule initiative that undermines the intra-regional economic relations within SADC. To achieve balanced bilateral relations, he argued that SADC members should approach China as a unit, and should avoid China's attempt to use divide and rule. There should be consensus on what SADC wants to achieve through the union because it is the only way to achieve their goals when engaging a powerful economy like China. Also, that SADC member states should improve their integrations by allowing equitable participation and beneficiation of all parties. Equally, he asserted that for intra-regional economic relations to be useful in SADC integration drive, member states should avoid the temptation of pursuing national interests that undermines the regional agenda. He finally emphasised that the study of impacts of economic relations on SADC integration is necessary as it would highlight the factors hampering SADC integration and beneficiation for majority of members, and provide possible solutions to such impediments to advancement of the region's integration. In the same vein, Chiororo (2015) asserted that the relationship is characterised by dependency in which Chinese interests dominate the ties at the detriment of the well-being of the region. He revealed that through access to and extraction of raw materials by the Asians for servicing their industries, relocation of growing Chinese population, employment opportunities for Chinese population and spread of influence for geo political reasons are among the several ways in which the relationship favours China. Chiororo further argued that the economic ties have affected intra-regional economic relations within SADC by resulting in the

decline of export of South Africa's manufactured products to the region (a pivotal factor in SADC'S intra-regional trade and cooperation) with the increase Chinese export to the regional markets. There may be fear that this pattern could occur again if free trade agreements are signed both regionally and with China. Also, that low intra-regional economic relations in the region have affected its integration as the fear of economic competition and economic migration to the more advanced industrial based economies has hampered efforts at enthroning sustainable regional cooperation in the region. Meanwhile, Chiororo also stressed that to achieve a balanced bilateral relationship between the two parties, collective bargaining by SADC members and development orientated engagement which allows for inclusive development in the member countries should be pursued. He emphasised that the practice would ensure that SADC boosts its bargaining power, as well as allowing for a sense of transparency in their negotiation with China since it would afford the member states full knowledge of the demands and conditions attached to the agreements, thereby forestalling the cases of uncertainty that member states often have over the possible impacts of regional agreements and the violation of the same that have characterised some of the integration milestones. In order to improve regional integration, Chiororo emphasised that SADC should enhance their national industrial and infrastructure bases in order to avoid a situation in which states with advanced economy are flooded by citizens from other member states.

Also, apparently concurring with the positions of the study, Isike (2015) argued that Sino-SADC economic ties are a one-sided relationship that is dominated by China, given the economic disparity between China and SADC countries. Also, that the relationship is currently in the interest of China because of the following the reasons:

- Development crisis of unemployment, poverty, low national income.
- Paucity of good leadership in SADC.

- Paucity of technical knowledge and skills to negotiate with China.

To achieve a balanced bilateral relationship, Isike (2015) emphasised that SADC could leverage better and get far more for what they give China if the political leadership could summon the courage and political will to review the relationship and get its acts right in terms of good governance. Regional co-operation within the region could also help it pool skills together and work as a united front in re-negotiating the relationship with China. He therefore stressed that it is necessary for SADC member states to engage China collectively because they can pool skills and also limit the potency of divide and rule which makes them speak with discordant voices in the interest of China. Equally, he explained that economic relations between China and SADC member states have not affected intra-regional economic relations within SADC because the lopsided nature of SADC intra-regional economic relations predates China's second coming to Africa. Notwithstanding the above, he revealed that intra-regional economic relations within SADC have affected SADC integration because as mentioned earlier, intra-regional economic relations are skewed in favour of stronger economies in the region and this has an adverse effects on its integration. Stronger economies such as South Africa and Botswana in the region have the upper hand economically and this influences their political behaviour towards their SADC neighbours. For improved regional integration, he argued that SADC member states take the following steps:

- Stronger economies such as South Africa should show better afro-centric leadership rather than seeing the continent as its imperial outpost to and market for its products
- Improve governance and reduce corruption across the region.
- Have the political will to share sovereignty and establish legitimate supranational institutions and structures to implement commonly agreed positions.

- Agree mutually on a template of integration.
- Promote cultural integration to curb afrophobia.
- Share resources and intelligence.
- Continue to maintain peace and political stability in the region.

Isike (2015) further concluded that the study of impacts of economic relations on SADC integration is necessary because, despite that there are other spheres of integration which are also important, they all are superstructures of economic relations and integration. Therefore, studying the impact of economic relations between states on their level of integration is pertinent and also topical in the case of SADC, given the varying levels of industrialization, economic growth and development between them which has contributed to the crisis of migration and its twin problem of xenophobia and afrophobia in South Africa, and that such a study would also be useful not only in adding to the body of knowledge on African integration, but in suggesting plausible policy options to enabling integration in this specific case of the SADC region.

In agreement with the research findings, Zvaita (2015) affirmed that the nature of the inter-regional relationship economic relations ensures that most of the SADC countries have relied on China in most of their investments and infrastructural developments, thereby importing most of their industrial manufactured goods from China in return for Chinese importation of the regional primary products. He argued that the relationship works more in the interest of China than any of the SADC states in most instances because while SADC countries are availed of access to cheap and affordable Chinese products, Beijing advances its economic influence at a global scale, hence driving towards a hegemonic landmark. He further stressed that Sino-SADC economic relations have affected intra-regional economic relations within SADC because most SADC countries have turned out to neglect their regional mandates and focus more on national

interests which have gravitated them more to the East to the detriment of the regional cooperation. As a result, he emphasized that SADC intra-regional relations have affected its general integration as it has created more setbacks with issues of economic deterioration and rising unemployment. To achieve balanced inter-regional economic relations, he argued that SADC states should be given the opportunity to use their own contractors instead of relying more on 'tied' aid in most of their infrastructural developments, and that China improve the standard of its export products to the region. Equally, he stated that considering the disparity in the size of the Chinese economy against that of the region, it is necessary that SADC states should engage China collectively in their economic negotiation because that could give them a better bargaining platform. Also, that SADC states should involve more efforts at advancing the industrial manufacturing base of the region as it would help in improving their intra-regional trade and other forms of cross-border cooperation and enhance regional integration. Finally, Zvaita (2015) proposed that the study of impacts of economic relations on SADC integration is necessary because it would serve for future purposes, especially in exploring ways of forging an effective regional integration.

Meanwhile, notwithstanding the negative consequences of the inter-regional economic relations on the SADC economies and intra-regional economic cooperation, the blames are not monopolistic of China as SADC member states are also culpable in some aspects while the relationship also comes with a measure of economic benefits for the region. In this regard, while reviewing the nature of the economic relations between China and SADC member states, Kamidza (2015) shared the same concern with the research findings and affirmed that it involves trade, infrastructural development with Chinese soft loans and aid and industrial establishment. While China imports raw materials like solid minerals and energy from the region, it exports finished industrial products to the region in return. He stressed that the relationship has also involved the establishment of Chinese manufacturing industries, especially in the textile sector

with the aim of taking the advantages of low wages and the opportunities offered by inter-regional preferential agreements of AGOA and EPAs. Indeed, this has created job opportunities and increased bilateral trade volumes and the national income earning of the region and, at the same time, opened the region to the influx of Chinese goods and labour. Thus, the relationship benefits both parties, but it tilts more to the advantage of China because most of the regional economies trade export mainly mineral resources to China without value addition and in return imports industrial products that make trade balance to be in favour of the Asians. It has equally affected SADC intra-regional economic relations because with the influx of Chinese goods into the region, the industrial capacity of the region has been reduced and therefore the increase of the region's reliance on primary products for exports. With low industrial production, the volume of intra-trade relations is equally negligible and therefore has negatively affected the economic integration of the region, causing it to move at a very slow pace. To achieve a balanced bilateral relationship, there is need for a regional approach that would ensure the engagement of China as bloc in their negotiation and equally subject such issues to public scrutiny and the involvement of experts in such dialogue in order to reduce the risk of entering into agreements that undermine the regional objectives. With that, the bilateral negotiation may be protracted, but would result in a situation where the outcome would not just serve the national interests of the member states, but produce such result as the Lome Conventions and Cotonou Agreements with EU, and AGOA with the USA that were negotiated between Europe/USA and the entire Africa continent and covered the interests of the entire continent. Also, the region should insist on the respect of the rule of law, human rights, electoral reforms, etc. avoid trading with mineral. Equally, SADC member states should improve their integration by harnessing their human and financial resources to ensure that trade and industrial policies encourage value addition to the numerous primary products of exports in the region. That would greatly reduce

the influx of manufactured goods to region that has significantly undermined intra-trade and vis-à-vis the region's economic integration.

Equally, the inter-regional economic relations have been viewed as very unwholesome to the economic progress of the region. Sharing this line of thought, Azunna (2015) averred that the relationship is presently not healthy for the region's economic advancement because it is swayed by Chinese interests utilizing the mechanisms of globalisation. Azunna (2015) further held that the relationship has not adversely affected intra-regional economic relations in the region and that challenges confronting SADC intra-regional cooperation are mainly created by the member states that ignore the regional agreements in the pursuit of state oriented policies which one of its consequence is the enthronement of one-sided economic interaction that mainly benefits China. Consequently, he disclosed that the regional institution has been reduced to mere association without enforcing authority, and so giving Beijing the leverage to exploit and manipulate the region. Also, that while China should not just be blamed for the low intra-regional economic relations within SADC, the situation has negatively affected the region's integration as integration arrangements seemed to be benefiting South Africa more than other countries in the region; thus, widening the economic gap between South Africa and the rest of the countries. Meanwhile, to achieve a balanced inter-regional relationship, Azunna (2015) averred that bigger economies in the region should create an enabling environment for the smaller economies to tap into the opportunities the integration creates by utilizing their various comparative advantages to improve their export base. He also stressed that it is not necessary for SADC member states to engage China in collective negotiation because if SADC states should honour their various agreed protocols and treaties, they already have adequate platform to advance their economies and forge greater regional integration by improving their manufacturing base and therefore reap the benefits of globalization and reduce their reliance on foreign aids that often worsen their economic conditions by increasing their debt profiles and further subjecting them into poverty.

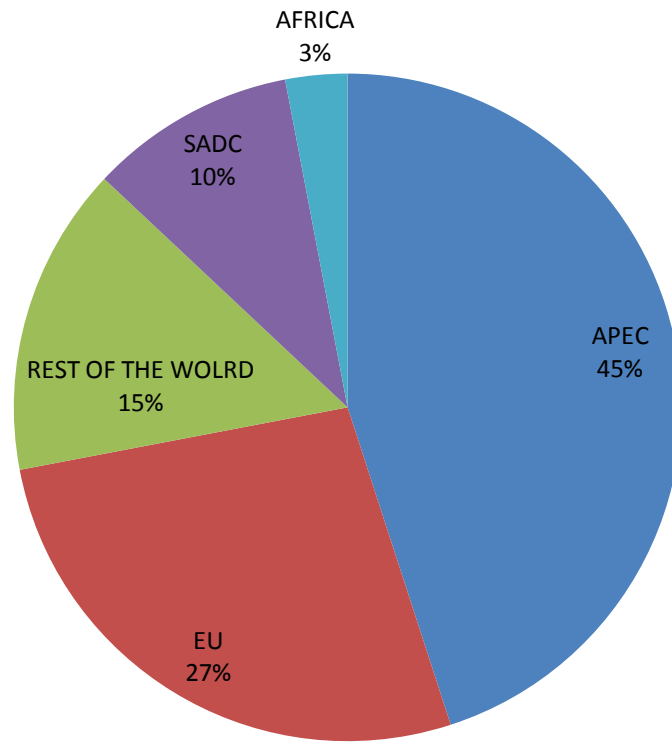


Figure 5.1: SADC Intra and External Trade Volume, 2000-2010 (Source: SADC, 2012)

Table 5.4: Percentage of EU member states Intra-trade against Total Trade (Source: Eurosta, 2014)

	Proportion of trade with EU-28 partners	
	2002	2013
EU-28	68.3%	62.0%
Belgium	75.5%	70.1%
Bulgaria	62.3%	60.1%
Czech Republic	86.3%	81.1%
Denmark	69.9%	63.5%
Germany	63.7%	57.0%
Estonia	81.7%	71.0%
Ireland	66.0%	56.9%
Greece	61.1%	46.6%
Spain	74.9%	63.0%
France	65.2%	59.3%
Croatia	66.1%	59.2%
Italy	61.7%	53.7%
Cyprus	57.8%	58.0%
Latvia	77.8%	66.4%
Lithuania	69.3%	57.4%
Luxembourg	88.3%	81.0%
Hungary	85.4%	77.9%
Malta	47.4%	42.6%
Netherlands	80.5%	75.7%
Austria	76.1%	70.0%
Poland	81.5%	74.8%
Portugal	81.4%	70.3%
Romania	74.1%	69.6%
Slovenia	77.3%	74.9%
Slovakia	90.1%	83.0%
Finland	61.2%	55.3%
Sweden	58.6%	57.7%
United Kingdom	61.4%	43.6%

Table 5.5: ASEAN Intra and External trade volume, 2014. (US\$) (Source: ASEAN Merchandise Trade Statistic Database)

Country	Intra-ASEAN exports		Extra-ASEAN exports			Intra-ASEAN imports		Extra-ASEAN imports			Intra-ASEAN trade		Extra-ASEAN trade		
	Value (US\$ million)	Share to total exports (%)	Value (US\$ million)	Share to total exports (%)	Total exports (US\$ million)	Value (US\$ million)	Share to total imports (%)	Value (US\$ million)	Share of total Imports (%)	Total imports (US\$)	Value (US\$ million)	Share to total trade (%)	Value (US\$ million)	Share to total trade (%)	Total trade (US\$ million)
Brunei Darussalam	2,093.0	19.8	8,491.1	80.2	10,584.1	1,767.6	49.1	1,828.9	50.9	3,596.6	3,860.6	27.2	10,320.1	72.8	14,180.7
Cambodia	2,037.9	19.1	8,643.5	80.9	10,681.4	5,577.6	29.4	13,395.6	70.6	18,973.2	7,615.5	25.7	22,039.1	74.3	29,654.6
Indonesia	39,822.1	22.6	136,470.5	77.4	176,292.7	50,903.1	28.6	127,275.7	71.4	178,178.8	90,725.3	25.6	263,746.2	74.4	354,471.8
Lao PDR	1,451.3	55.0	1,188.6	45.0	2,639.9	2,045.0	74.4	703.9	25.6	2,748.9	3,496.3	64.9	1,892.5	35.1	5,388.8
Malaysia	65,297.0	27.9	169,864.2	72.1	234,161.9	53,779.1	25.7	155,139.1	74.3	208,918.2	119,076.0	26.9	324,003.3	73.1	443,079.4
Myanmar	4,362.3	39.5	6,668.3	60.5	11,030.6	7,092.6	43.7	9,133.4	56.3	16,226.1	11,455.0	42.0	15,801.7	58.0	27,256.7
Philippines	9,211.2	14.9	52,598.7	85.1	61,809.9	16,158.8	23.8	51,598.2	76.2	67,756.9	25,370.0	19.6	104,196.9	80.4	129,566.9
Singapore	127,739.2	31.2	282,029.5	68.8	409,768.7	75,457.2	20.6	290,790.1	79.4	366,247.3	203,196.4	26.2	572,819.6	73.8	776,016.0
Thailand	59,425.8	26.1	168,147.8	73.9	227,573.6	43,299.5	19.0	184,652.8	81.0	227,952.3	102,726.3	22.6	352,800.6	77.4	455,525.9
Viet Nam	18,250.5	12.3	129,831.0	87.7	148,091.5	22,537.1	15.5	123,148.4	84.5	145,685.6	40,797.7	13.9	252,979.4	86.1	293,777.1
Total/Average Percentage	329,700.4	26.84	962,933.2	73.13	1,292,633.6	278,617.6	32.98	957,686.2	67.02	1,236,283.8	608,318.0	29.46	1,920,599.4	70.54	2,528,917.4

5.3 CONCLUSION

The foregoing has exposed the nature of China's economic relations with SADC states. It revealed the advantages and disadvantages the ties have had on the economies of the states of the region. Findings exposed that while the inter-regional economic relations benefit both parties, albeit a more favourable outcome for the Chinese, it has impacted the SADC integration and economic development. Whilst the low industrial base of the region cannot be solely blamed on the interaction with China, it has greatly encouraged the influx of the Chinese products into the region, providing the SADC population with affordable commodities, and at the same time, worsening the already non-competitive manufacturing sector of the regional economies. As the industrial base of the region continues to deteriorate with the influx of foreign made products, intra-trade in the region suffers the more, and thus a setback on the regional integration drive of the community. The section has also uncovered that there is the need for the region to engage China in a collective negotiation in order to boost its bargaining power and reduce the tendencies of employing a divide policy that involves a system of engaging in agreements that benefit some state members to the detriment of others and undermine the objectives of the community.

CHAPTER SIX

CONCLUSION AND RECOMMENDATIONS

6.0 INTRODUCTION

This chapter comprises the summary of the research findings based on the objectives of the study and the research design, recommendations for implementation, and identification of areas for further research.

6.1 SUMMARY OF THE RESEARCH FINDINGS

This section will focus on three issues that the study was set out to investigate. These issues are SADC intra-regional trade and general integration, the nature of Sino-SADC economy relations; and the impacts of Sino-SADC economic relations on SADC intra-regional cooperation and integration.

6.1.1 SADC Intra-Regional Trade and General Integration

The importance of intra-regional trade relations in the parlance of functional integrative arrangement cannot be overstressed. It is oil that greases the wheel of socio-economic cooperation, which drives sustainable regional integration. While encouraging healthy regional competition, it equally promotes improvement in commodity production, enabling the integrating parties to evolve measures at utilising their comparative advantages to securing or protecting their regional market shares, and at the same time, it brings the trading partners together, reducing barriers to cross-border cooperation. Thus, recognising the significance of this sector in its integration agenda, SADC has adopted a number of policies aimed at achieving greater utility of intra-regional trade liberalisation and other forms of regional cooperation.

Among these policies are the 1996 Trade Protocol, Protocol on the Movement of Persons, Free Trade Area and Protocol on Trade in Service. The measures have yielded remarkable results and have helped the region in advancing its integration into several fronts in socio-cultural, political and economic themes.

As promising as the policy initiatives have been, it is imperative to point out that they are yet to fully yield expected benefits. While efforts have continued to be made to improve intra-regional trade in the community, its current state is a reminder that more efforts need to be taken to ensure its improvement.

Meanwhile, it is very difficult in obtaining official trade figure for the region, and this has resulted in the display of different data by scholars and analysts. However, as disclosed by Sandrey (2013) as earlier mentioned in chapter four of this study, South Africa dominates the overall SADC and intra-SADC trades, resulting in a situation whereby it accounted for about 68.1% and 14.8% intra-SADC exports and imports for 2010, respectively. Overall, intra-regional economic relations within SADC is very low and findings show that it is due to low level of intra-trade in the region, which in itself is the consequence of the region's low industrial capacity. The latest computed SADC trade figure covers the period 2000–2010, and shows a very low intra-regional trade volume. The total export volume within the period was US\$89,151.33million, while import volume was US\$91,608.15million, recording a trade in-balance of US\$2,456.82million (SADC, 2012). The intra-trade volume in the region is very low to drive meaningful functional integration, especially when compared with the volume of performance from other regional economic communities such as EU and ASEAN.

Tables 5.4 show that the EU had recorded massive intra-trade of 68.3% in 2002 and 62.0% in 2013, though with some discrepancies. ASEAN trade figure presented in Table 5.5 shows that the average percentage of total intra-regional export of the 10 member organization in 2014

stood at 26.84%, while the average percentage of the total intra regional export of the same period was 32.98%. That is an indication that average intra-trade percentage of the region is above 29% of its total trade. When these are compared with SADC 10% intra-trade volume between 2000 and 2010, it exposes that intra-trade relations within the community are grossly underperforming. The situation has made intra-regional economic relations very inadequate for effective regional integration since intra-regional economic relations is driven by trade and investment relations. The inadequacy of the factors has adversely affected the regional integration drive of the community as effective regional integration takes root in socio-economic interactions.

Findings also revealed that the low intra-regional relations have also manifested in non-adherence to the protocol on the movement of persons in the region by state members, resulting in low cross-border cooperation in trade, labour and other forms of interactions. Having noted the state of intra-regional economic relations in the community, it has equally been revealed that a major factor militating against its improvement is the low level of manufacturing output of the region. The state of industrial production in the region is so low that it has allowed for the dominance of the sector by a few member states in the region. As indicated by the manufacturing performance and manufacturing contribution to GDP table of the SADC states, South African dominance of industrial production in the region has not only given it the leeway to dominate its export trade, but has also been a cause for concern. Some analysts have argued that SADC is not a true regional economic community, but a medium through which South Africa imposes her national interests to the detriment of other state parties. The dominance of South African economy has not only attracted the concern of scholars, but as noted above; has created real or imaginary fear that it strangulates the economies of other state parties. This has fuelled the notion that the benefits of regional economic communities only impact on the countries that own the means of production and industrial base, resulting in more favourable

outcomes for the bigger economies. In this regard, it has been observed that South Africa is not much interested in the regional economic integration since her industries have the capacity to enter any economy in the region on the basis of demand and supply, even without the integration arrangement. As a result, Pretoria has been restricting her market to products from other regional economies while intensifying its exports to the region. A situation whereby South Africa preaches liberalization of the SADC economy whilst closing its own economy through restrictive immigration policies does not augur well for effective integration in the region. The reluctance of the regional superpower in promoting the regional economic relations, leveraging on its industrial export advantage has increased the fear of economic imperialism by Pretoria and contributed to the fear of Angola in joining the SADC FTA, with the apprehension that the regional open border regime would harm its growing manufacturing capacity. Apart from South Africa, most of the economies are still primary product-dominated. The economies are struggling to compete, and competition is on the export of raw materials outside the region with limited value addition. There could be more integration if there was more sincerity on the part of the bigger economies such as South Africa. Also, there needs to be some social integration of the people, to be able to overcome the social barriers that economic integration could and does pose. The potential is there for better integration which would benefit the region if there could be a level playing field for intra-regional trade that is mutually beneficial. Apart from the dominance of South Africa in the regional export market of the region, the industrial sector of stronger economies such as South Africa and Botswana has absorbed migrant workers from poorer SADC countries, thus creating a situation whereby regional migration is mostly towards the stronger economies and has contributed to resentment that such migrants often faced in their host nations. Similarly, lack of diverse industrial capacities to produce different commodities has encouraged the influx of foreign manufactured goods mainly from China into the regional

markets, killing the manufacturing potentials of the region, especially the textile industries, thus creating massive unemployment.

In response to the growing concern over the industrial weakness of the region and its negative impacts on the region's development and integration agenda, the regional body in 2012 enacted a framework that it hopes would drive its industrial development. The SADC Industrial Development Policy Framework (2013-2018) adopted in January 2014 seeks to develop and exploit the region's mutually beneficial opportunities, engage in industrial upgrading through innovation, technology transfer and research development. It also aims to improve the standardization and regulatory regimes of the region, in addition to ensuring skills development. Equally, it has the objectives of improving the infrastructure and industrial financing in the region and enhancing the performance of SMEs, and adopting measures that would improve the region's FDI attraction and the competitiveness of the existing industries.

Despite the promising features of the framework, it lacks a regional blueprint, and only serves to encourage member states to pursue policies and programmes that could ensure the rapid development of the region in line with its Industrial Upgrade Modernisation Programme (IUMP) that was adopted by the SADC's Committee of Ministers of Trade in 2009.

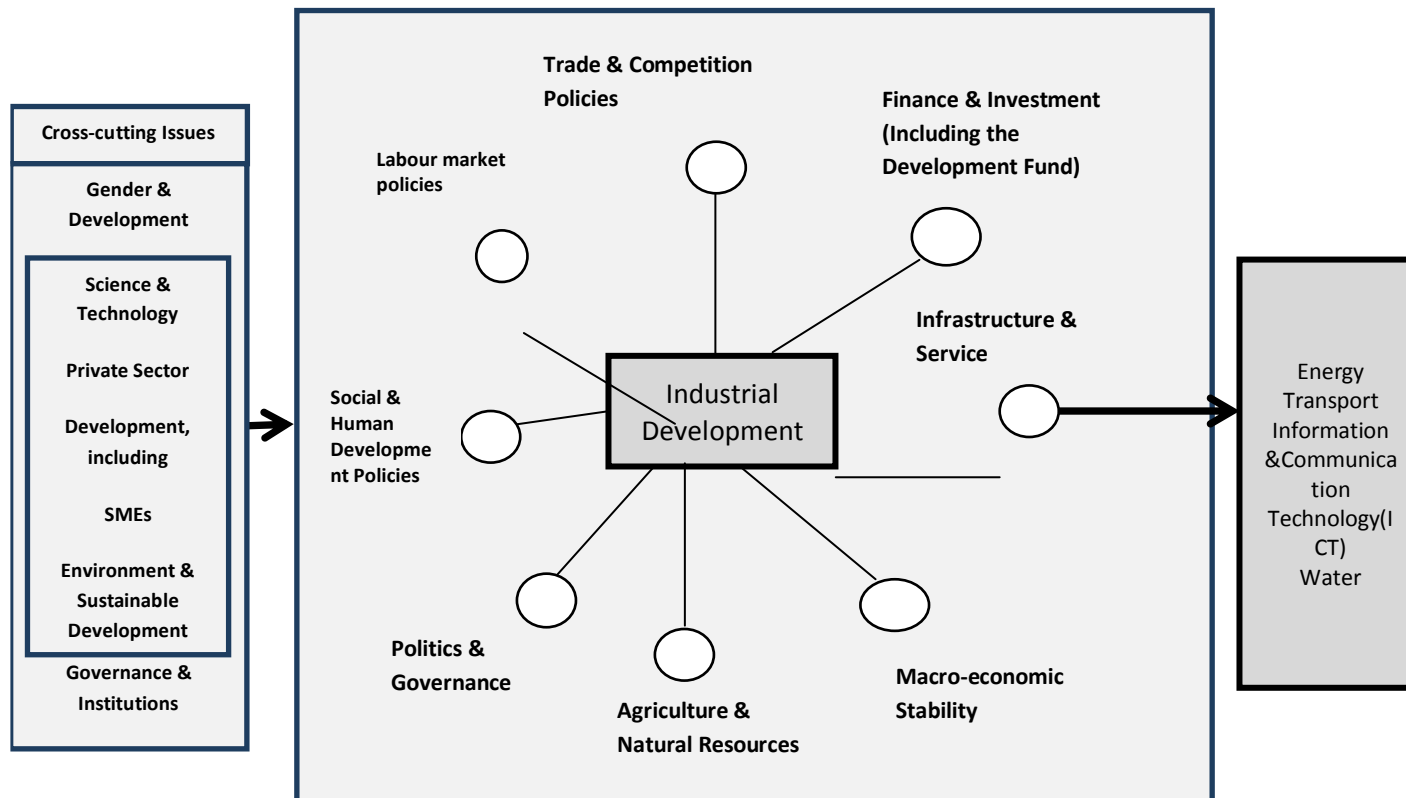


Figure 6.1: SADC Development Policy Mix. Source: (SADC, 2014)

However, as noted above, the industrial development relies on the policies and programmes of the member states for the attainment of its objectives. Consequently, the study revealed that for successful implementation of the industrial development roadmap, the regional strategy must recognise the essence of regional and global values chain, and must strike a balance between industrialisation and trade liberalisation in order to reduce the influx of cheap products from outside the region to its markets. Similarly, regional industrialisation strategy must be tied to peace and security building without which the environment may not be conducive for the implementation of the regional policies. Also, skill development should be seen as a vital component of industrialisation. The Protocol on Trade in Services and that of the Facilitation of Movement of persons must be implemented in order to allow for mobility of workforce within the region with reduced difficulty.

Another challenge confronting intra-regional economic cooperation in the region is overlapping membership of the SADC states to different RECs. Except for Angola and Mozambique, almost all the SADC members belong to different CUs. It is quite difficult to pursue a CU by the regional organisation without adequately addressing the issue of overlapping membership. Overlapping of membership has contributed to disputes over rule of origin as another constraint that the implementation of SADC FTA is being faced with, resulting in a situation whereby member states while belonging to SADC FTA still impose tariff and other forms of intra-trade barriers on products from other member states; and other violations of treaty agreements. The consequences of violation of rules by member states and their effects such as disputes over rule of origin and other trade liberalisation barriers have continued to hamper the regional integration objectives. It has contributed to cases of surtaxes imposition and outright ban on the importation of certain products by some state members on products coming from other FTA state parties. For instance, in 2013, Zimbabwe threatened to review its trade agreement with regional countries, especially South Africa, whom it accused of violating the FTA rule of origin by exporting cheap third party products from Asia with South African trademarks to its market. In August 2014, South African maker of MAQ, Bliss brands stopped exporting its products to Zimbabwe, complaining that the country has increased surtax on the products from 10% to 40% without prior notice. Also in 2014, Zimbabwe banned the importation of fruits and vegetables to its shores. The ban affected South African fruits and vegetable export worth at least US\$1million. The ban according to Zimbabwe was necessary following the increase in its local production of the commodities.

Moreover, the formation of regional integration was dominated by political consideration than economic, social and cultural, resulting from the transformation of the organisation from the Frontline States which had the objective of liberating the region from the clutches of colonialism and institutionalised racism, thereby neglecting at the onset the essence of cultural and economic

integration based on rules, and the people-to-people integration. Accordingly, political consideration seems to be prioritised above other aspects ensuring that economic integration has not gone beyond the Free Trade mark as big economies; especially South Africa are not interested, creating a situation in which Pretoria pursues a deeper integration that revolves around SACU. The preference of SACU over SADC for greater integration by South Africa also manifested in the signing of EPA between EU and SADC/SACU (with Mozambique as the only non-SACU member of the SADC bloc). To go beyond theorization and achieve meaningful regional trade liberalisation and its attendant benefits, there must be high level maturity in the individual economies of the region, sound fiscal and monetary discipline, financial sector stability and the reduction in unemployment level. The regional bloc should carefully evaluate various individual agreements it reached with economies outside the region to avoid a situation in which the consequences of such bilateral agreements threaten the implementation of the regional integration agenda.

6.1.2 The Nature of Sino-SADC Economic Relations and its Impacts on SADC Intra-Regional Cooperation and Integration

China's economic policy with SADC states has attracted varied opinions from scholars and analysts. The need to conduct a study that would focus on identifying factors that drive the pro and anti-Chinese sentiments in lieu of its economic relations with SADC states is the driving factor for this research. China's economic policy has been critically analysed to determine its impacts on the region's present economic conditions. Since economic issues drive functional regionalism, the result of the appraisal will be applied in further analysis of Chinese influence on the integration agenda of SADC region.

- The economic relations between China and SADC member states are multi-pronged, involving trade relations, mineral extraction, infrastructural aid and construction, FDIs

and soft loan disbursement. Equally involves the establishment of Chinese manufacturing industries, especially in the textile sector with the aim of taking the advantages of low wages and the opportunities offered by inter-regional preferential agreements of AGOA and EPAs. This has indeed created job opportunities and increased bilateral trade volumes. Under trade relations, China exports mainly manufactured goods to SADC and in return buy mineral and other primary products from the region. The relationship benefits both parties as it provides Beijing with raw materials needed to feed its industries and at the same time the export market for its finished products. On the side of SADC, the region benefits from bilateral trade as it provides it increased national income generation derived from the sale of its abundant raw materials. In addition, the relationship affords the region access to affordable finished products and infrastructures, thereby improving the living standards of the region. Notwithstanding these benefits accruable to SADC, the relationship has created a situation in which the region is flooded with Chinese products that are sometimes substandard and counterfeits, while some of the projects built by Chinese firms are substandard and collapse ahead of expected time. The pattern of trade relations also provides that while national income of the mineral endowed states improves, non-mineral exporting states in the region record growing trade deficits as Chinese industrial products continue to find their way to the region. Furthermore, Chinese aid and infrastructure financing do not come with political conditionality that requires good governance, political and economic reforms often applied by the Western donors. While this ensures non-interference with the domestic affairs of the region, its insistence on the execution of such projects by Chinese firms that mostly engage substantially Chinese labour implies that state sovereignty is respected, but it affords the Asians the opportunity of competing with the locals in the labour market. This fuels the rising resentment against the Chinese in the region. The

relationship has affected intra-regional economic relations within SADC as the flooding of the region with Chinese cheap products undermines the manufacturing capacity of the region and by extension its intra-regional cooperation. Hence, its negative effects on SADC intra-regional economic relations and integration owing to the facts that low intra-regional trade affects intra-regional cooperation, and once intra-regional economic relations are inadequate, it affects the whole integration process. It is not possible to achieve a wholesome balanced relations in the international political economy as a result of the degree and dynamics of comparative advantage that produce multiplier implication that gives a nation more advantage than another. However, the relationship is dominated by China, given the economic disparity between China and SADC countries and is presently in the interest of the Asians as a result of the following the reasons:

- Paucity of good leadership in SADC.
- Paucity of technical knowledge and skills to negotiate with China.
- Development crisis of unemployment, poverty, low national income.

While China should not just be blamed for the low intra-regional economic relations within SADC, its effects on the region's integration is very devastating. With the influx of Chinese goods into the region, the industrial capability of the region has been reduced. The region's reliance on primary products for exports increases low industrial production and thus, reduces the volume of intra-trade relation. The situation has contributed to the widening gap between the economies of the region. While the Chinese are involved in the establishment of industrial hubs and the exportation of semi-finished products to some states in the region, the export of such products to other SADC members has occasioned disagreement over the rule of origin; thus, undermining the trade liberalisation framework of the region. This somewhat serves to divide the states and has equally contributed to the fear of economic competition and the migration of

people of the region to the more industrially advanced economies for opportunities. The situation has contributed to fuelling of resentment and xenophobic attacks against the migrants. Consequently, some SADC countries have neglected their regional mandates and focused more on national interests which have gravitated more towards the East to the detriment of regional cooperation. Though, the challenges confronting SADC intra-regional cooperation are mainly created by the member states that ignored the regional agreements in the pursuit of state oriented policies, the incentives derivable from the relations with China by some member states which are sometimes at variant with the regional interests have continued to be an encouraging factor for such disregard for regional goals by its benefiting states. This has reduced the regional institution to mere association without enforcing authority. The inter-regional relations are currently not healthy for the regional integration advancement as they are swayed by Chinese interests that utilize the mechanisms of globalization which threatens the regional cooperation.

In conclusion, the inter-regional economic relations benefit both parties, though the outcome is more favourable to the Chinese. It has impacted the SADC integration and economic development. While the low industrial base of the region cannot be solely blamed on the interaction with China, it has greatly encouraged the influx of the Chinese products into the region. Although, the SADC population has been provided with affordable commodities, the already non-competitive manufacturing sector of the regional economies is worsened. As the industrial base of the region continues to deteriorate with the influx of foreign made products, intra-trade in the region suffers the more, constituting setbacks on the regional integration drive of the community. The section has also uncovered that there is the need for the region to engage China in a collective negotiation in order to ensure that as it boosts its bargaining power, it also reduces the tendencies of employing a divide and rule policy that involves a system of engaging in agreements that benefit some state members to the detriment of others and undermine the objectives of the community.

6.2 VERIFICATION OF THE RESEARCH HYPOTHESIS AND THE DEVELOPMENT OF GROUNDED THEORY FROM THE STUDY

At the commencement of the study, it was assumed that as currently constituted, economic relations between China and Southern African states will undermine SADC integration. The hypothesis assumption was tested and verified with research findings and applied in the construction of the grounded theory of the study.

6.2.1 Verification of the Research Hypothesis

The research finding is an exposition that the present state of Sino-SADC economic relations does more harm than good to the regional integration drive of the community. With the influx of cheap and low quality Chinese goods to the regional markets of SADC, resulting from low industrial base of the region and comparative advantage in technology enjoyed by the Asians, the already low manufacturing capacity of the region is further degraded. With the rapid decline of the industrial base of the region, intra-trade and other cross-border cooperation that should have served as the engines in driving the regional economic relations are adversely affected and thus the slow pace of regional integration drive of the community. The effects of the inter-regional economic relations are not just restricted to their direct consequences on SADC intra-trade, they have as well promoted disharmony within the community. As was explained in chapter four of this study, some states in the region have been accused of repackaging Asian produced goods (mainly Chinese) with their national trademarks and exporting same to other regional markets, taking the advantages of the FTA protocol in the region. This has led to the imposition of surtaxes and sometimes outright ban and retaliation on the products coming from some states in the region. The wider implication of this is that as a consequence of such practice and accusations, some SADC member state are now more interested in pursuing national interests to the detriment of the regional agenda, thereby deliberately ignoring the treaty and

protocols of the community. The pursuit of national interest driven agenda has equally led to the case of overlapping of membership that currently confronts SADC. Most states in the region belong to more than one RECs and this makes the implementation of the regional integration milestones cumbersome. The manifestation of such proliferation of REC membership by SADC states is evident in their partisanship in COMESA, EC, and the recently signed EPA between EU and SACU with Mozambique. The proliferation of REC membership does not only make the implementation of regional agreements difficult, but equally divides the community, thus paving the way for them to be easily manipulated by outside forces.

This indicates that as currently constituted, Sino-SADC economic relations undermine SADC integration agenda.

6.2.2 Development of Grounded Theory from the Study

As indicated in the research design of the study, one of the objectives of the research is to apply the verification of the research hypothesis in the development of a grounded theory for the study. Grounded theory in a concise definition is the discovery of theory from data. Since the hypothesis verification has proven that the present state of Sino-SADC economic relations undermine SADC integration, the discovered theory is termed **theory of external influence on integration**. The theory implies that determining factors to the success or failure of regional integration can not only be located within the internal dimensions of the integrating regions, but can also be situated on external influences that pervade it. The external influence has the potentials to either promote or hamper integration of certain regions. For instance, the USA objective of building alliance against USSR/Russia in Europe was/is vital in the strengthening the EU, just as its support for ASEAN as a wage against China in Asian-Pacific has equally strengthened the institution. Similarly, the USA's cold war and anti-USSR policies contributed to the dismantling of the Soviet Union. While most of the anti-integration policies and influences

are mostly covert, their impacts cannot be ignored. Thus, the theory ascribes that in inter-regional economic relations between unequal parties in terms of technology and industrialisation, coupled with other factors of production, there is high tendency that the more advanced party in the relationship will utilize its advantages to undermine the development of the weaker party, especially in those sectors that it enjoys advantages in order to perpetuate its dominance in the relationship. As typical of inter-states relations, every player tends to gain more in every interaction. It is only the inability to dominate and resist it that can restrict states from taking advantage of others since there is no equality of interests. Therefore, in the form of balance of power mechanism, states easily engage in alliance building in order to balance or reduce the influence of a great power, whether it is considered as an enemy or a hegemonic/potential hegemonic friend.

In terms of inter-regional economic relations, the influence of a great power has the potential of hampering economic development and integration of the weaker partner. As regards Sino-SADC economic relations, China is a great power friend and a stronger partner in the relationship. It derives its advantage from its much advanced technology, market size and other factors of production. Its influence on SADC integration, as explained in the research findings, is adversely weighing on the manufacturing output of the community, and thus its integration. Therefore, for the external influence that China exerts on SADC to translate to prospect in the region's integration drive, the community does not only need to pool their resources together to boost their bargaining power, but should equally engage Beijing in the advancement of its industrial base. It is only when the industrial base of the community is developed that the influx of foreign made goods will be reduced, and thus the acceleration of the region's intra-trade and cross-border cooperation, and the overall general integration.

6.3 SUGGESTIONS AND RECOMMENDATIONS

In order to reduce the dependency of SADC states on China in their economic relations, the states should improve their industrial manufacturing bases which will contribute in lessening the influx of Chinese manufacture goods into the regional markets. It is also very necessary that they engage China collectively as that will boost their bargaining power and ensure that they gain more in their dealings with Beijing. Any attempt to use the divide and rule tactic against them should be avoided in any negotiation. There should be consensus on what SADC wants to achieve through negotiation as it will afford them the best opportunity of achieving their regional goals when engaging a powerful economy like China. Equally, there should be transparency in such negotiation as that will afford the member states the knowledge of the demands and conditions attached to the agreements, thereby forestalling the cases of uncertainty that member states often have over the possible impacts of regional agreements and the violation of the same that have characterised some of the integration milestones. Such dialogue should also be subjected to public scrutiny in order to reduce the risk of entering into agreements that undermine the regional objectives. The bilateral negotiation may be protracted but will result in a situation whereby the outcome will serve the national interests of the member states and produce results that will cater for the regional agenda. Member states should be firm on the opportunity of using their own contractors instead of relying more on ‘tied’ aids in most of their infrastructural developments. China should improve the standard of its export products and infrastructural constructions in the region. Equally, the region should insist on the respect for the rule of law, human rights, electoral reforms, etc. and avoid trading with minerals.

Since it is hardly possible for states to have common interests, healthy competition should drive intra-trade and other cross-border economic cooperation. Member states should take the benefit of their various comparative advantages to evolve economic measures that will not only enhance national interests, but add value to the regional agenda of the community. Furthermore, stronger

economies such as South Africa and Botswana should avoid the desire of using their economic position and political behaviour to neglect the genuine concerns of other SADC members. The member states should improve their regional integration by taking the following steps:

- Stronger economies such as South Africa should show better afro-centric leadership rather than seeing the region as its imperial outpost and market for its products.
- Improve governance and reduce corruption across the community.
- Have the political will to share sovereignty and establish legitimate supranational institutions and structures to implement commonly agreed positions.
- Agree mutually on a template of integration.
- Promote cultural integration to curb afrophobia.
- Share resources and intelligence.
- Continue to maintain peace and political stability in the region.

Moreover, the community should evolve procedures that will promote the establishment of regional industrial base with all member states as stakeholders. Such initiative will not only provide jobs for the citizens, but will create a sense of ownership, and thus the political will to make it successful. Just like in the EU where intra-regional economic relations began from the establishment of Iron and Steel Commission, success achieved from such regional project will spill-over to cooperation in other fields. Thus, the sectoral programme that was initiated under the SADCC should be revisited, but this time, it should be jointly owned and coordinated by the Secretariat of the institution. The establishment of such project should involve the participation of experts in such field and active engagement of the private sector in order to dilute possible governments' interference, and promotion of efficiency and innovation that drive private sector

economic models. With enhanced regional industrial and infrastructure base, the cases of massive regional migration to states with advanced economy that fuels resentment and xenophobic attacks will be reduced, while intra-regional cooperation will be promoted.

Furthermore, the institution should commission a study to ascertain the impacts of economic relations on SADC integration as it will afford the policy makers the opportunity of understanding the general issues that economic relations make on the regional integration efforts, and will be beneficial in enabling the regional leaders to critically evaluate the issues and effect necessary changes in their economic policies. It will also help the proper understanding of the level of progress as well as the losses incurred in the various SADC economies, which principally affect the state-building process of the countries involved. Therefore, study of the impact of economic relations between states at their levels of integration is pertinent and also topical in the case of SADC, given the varying levels of industrialization, economic growth and development between them which has contributed to the crisis of migration and its twin problem of xenophobia in South Africa. Such a study will also be useful not only in adding to the body of knowledge on African integration, but in suggesting plausible policy options for enabling integration in this specific case of the SADC region.

Additionally, the regional players must exhibit necessary tact in driving regional integration, as well as showing sincerity in their dealings with each other, to build confidence and ensure equitable participation and benefits from joint projects and agreements.

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