

The Arrival of « Made in China » in Burkina Faso: An African Transnational Traders' History

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Chinese Goods in Burkina Faso



Pervasiveness of Chinese products in public spaces, following the gradual reorientation of Burkina Faso's supply chains to China
→ China has become the main provider of manufactured goods to Burkina Faso, but also to a large part of African countries

Under-researched topic

- Geostrategic dimension of African exports to China
- Reductive essentialization: “low price” and “low quality”
- Succinctly analyzed, often on the margins of studies on other research topics (deindustrialization, competition between Chinese and African traders, counterfeiting, ...)

This paper intends to **trace the historicity of the arrival of Chinese products in Burkina Faso**, with particular emphasis on the political, economic and social determinants of this arrival

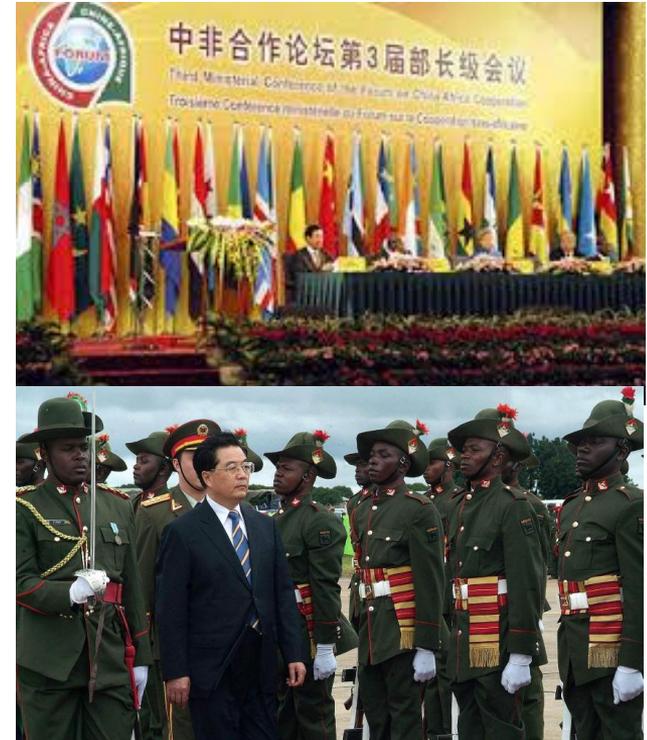


China in Africa : « The Grand Strategy »

Significant diplomatic rapprochement between China and African countries : multilateral (FOCAC) and bilateral (diplomatic visits) (since 2000).

Growing involvement of China in Africa would be essentially justified by its capacity to diplomatically pave the way towards an **increase of African-Chinese trading exchanges**, which are considered as particularly strategic for China.

Arrival of **Chinese products** in Africa would therefore be intimately linked to African-Chinese cooperation as a **part of China's new political and economic "strategy" in Africa.**



Beyond the State-centric Approach

Over-interpretation of the role of African-Chinese inter-state cooperation, and consequently of the strength of the Chinese state and its ability to implement an unitary and centralized strategy in Africa.

Epistemological turning point

Chinese strategy in Africa to Chinese strategies in Africa.

- Internationalization of Chinese companies in Africa
- Central role played by non-state actors

→ While African-Chinese cooperation has contributed, to a certain extent, to providing an **institutional framework** conducive to the growth of African-Chinese relations, **it should not be considered as unique explanatory factor**.



Chinese Goods and Chinese Cooperation in Burkina Faso

Effective case to question the link between deepening of Afro-Chinese cooperation and increasing of African imports from China.

Proliferation of Chinese goods has started during the second half of the 1990s, growing even more during the first half of 2000s, at a time where **Burkina Faso did not have diplomatic relationship with China** anymore.

→ Force to explore **new explanatory factors!**

In this paper, I therefore support the idea that the massive arrival of Chinese goods in Burkina Faso is **historically rooted in internal economic transformations** notably resulting from the devaluation of the CFA franc and the implementation of structural adjustment programs (SAP). These internal economic transformations have then been **fed by numerous global transformations**, which have progressively participated to make China a closer, opener, and more profitable trading destination. All these changes have contributed to open **new windows of opportunity for many Burkinabe transnational traders, who have risen taking advantage of and developing the Burkinabe-Chinese trade.**

The Initial Arrival of Chinese Goods in Burkina Faso (1973-1994)

September 1973: establishment of **diplomatic relations with China**

Chinese goods initial arrival as a **means of financing Burkinabe-Chinese cooperation projects (1983-1994)**

All the goods were sold by an unique state-owned enterprise: the **Faso Yaar**

- It allowed Burkina Faso's government to :
- Get funds to finance development projects
 - Provide an expanding range of affordable manufactured goods to a growing part of its population



Decline and Closure of the Faso Yaar (1991-1996)

End of the 1980s, Faso Yaar independently **started to carry out orders in China.**

In March 1991, Burkina Faso signed a stand-by agreement with the International Monetary Fund (IMF) defining the conditions of the **implementation of a SAP.**

→ **Closure of the Faso Yaar**

→ Open a **window of opportunity** for the development of various trading accumulation itineraries autonomous from the state, which ultimately were numerous to direct towards Chinese markets.



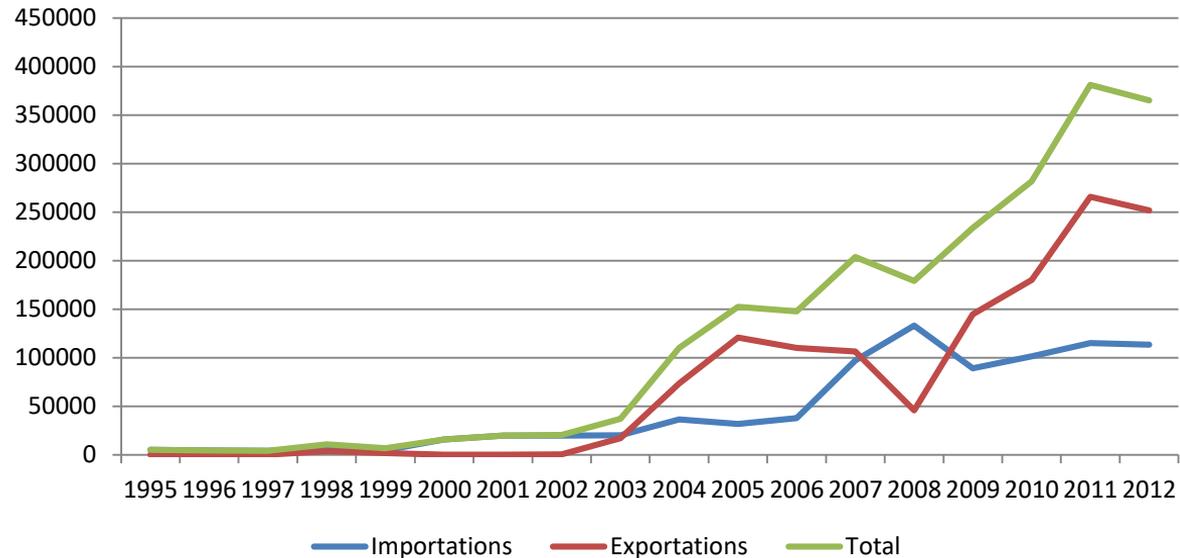
The Proliferation of the Chinese Goods Imports in Burkina Faso (1994-2018)

February 1994: new **diplomatic shift to Taiwan.**

But, **significant and constant increase of import from China.**

-CFA Franc devaluation (1994-2003)
-China as a closer, opener and more profitable trading destination (2003-2018)

Trading Exchanges between Burkina Faso and China (thousand of US Dollars)



The CFA Franc devaluation (1994-2003)

Negative effects on entrepreneurship

- Fall in turnover: mainly driven by contraction in consumers demand
- Access to finance, relational pressures, corruption



Engaging in self-employment to continue living in acceptable conditions

→Rise of a multitude of new Burkinabe entrepreneurs in the **national and regional** “informal” business networks.

Exploring new trading routes to fit with the reduced financial capacities of Burkinabe households (**traders with significant economic and social capital**)

- Second-hand products
- Former Soviet bloc countries
- Gulf countries
- India, Thailand, and **finally Hong-Kong and China**

China as a Closer, Opener and more Profitable Trading Destination (2003-2018)

Multiplication of traders involved in Burkinaabe-Chinese trade

- Long-established traders: mimicry of the successful experiences of the pioneers
- National and regional traders who progressively accumulate enough money to go global: to trace lines of supply and cut down on intermediaries
- Individuals who have no prior knowledge in international trade

Global transformations which contribute to make trade with **China more reachable** for African transnational traders:

- Reducing in transport costs
- “Official” and “informal” institutions supporting traders’ international ambitions
- Growing difficulties to enter more traditional markets

Conclusion

Profound questioning of the alleged causal link between the arrival of Chinese products in Africa and interstate cooperation between African countries and China, particularly in its current form characterized by large-scale development of the FOCAC.

- The initial arrival of Chinese products in Burkina Faso took place outside the chronological limits of FOCAC.
- The proliferation of Chinese products in Burkina Faso took place in a context characterized by a lack of interstate cooperation between the Burkinabe and Chinese governments.

This paper highlights the importance of **three dimensions** :

- Complexity and ambivalence** of social facts
- Historicity** of African societies
- African **agency**

Thank you!

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For more information about Chinese goods in Africa :
Kernen, A. and G. Khan-Mohammad. (2016). “The Chinese Goods reshape Africa”. *African Review of Economics and Finance*, 8 (1), pp. 130-155.