

AFRICA AND THE BEIJING CONSENSUS: THE OPTIMISM AND PESSIMISM

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ABSTRACT

It is arguable that the major challenge of nation-building in Africa has been the inability of her political leadership to conquer the phenomena which have detained her nations in the purgatorial conditions of national development since their reclamation of sovereignty from colonial rule. Both colonialism and its most discernible mutant, neo-colonialism, have been accused of laying the sub-structure of the abject conditions that define the continent. It is alleged that these two isms underlie the international economic system that robs the poor (marooned in the netherworld region of the same system). It is these tow isms that supervise the osmotic relationship that exist between the two regions. The key note of an aspect of the allegation is that the neo-colonialist economic nostrums concocted in the boardrooms of the major centre of international capitalism in the Breton Woods make it difficult for the continent to find the coordinates to viable national development. The Washington Consensus, which refers to the recommendations of the Breton Woods Institutions (the World Bank and the International Monetary Fund, and their affiliates), appears to have caused so much disaffection in Africa because some people think that it exploits the frustration of the national economies by forcing them to implement policies many of which only aggravate the conditions they are intended to remedy. This disaffection with the Washington Consensus is alienating many nations, forcing them to turn to the Chinese model of development which some people have loosely nicknamed the Beijing Consensus. The Beijing Consensus has become widely popular with many Africans in spite of the warning by those who dismiss it as none of the things the continent should turn to for economic salvation. The business of this paper was to unpack the positions assumed in the polemics on the relationship that can possible exist between African development and the Beijing Consensus.

Key words: Africa, Breton Woods Institutions, the Washington Consensus, the World Bank, the International Monetary Fund, the Beijing Consensus.

INTRODUCTION

It is fact that a desperately sick person will not hesitate the catch at any prescription that is dangled before him. This statement adequately describes the efforts Africa has been making since she recovered her sovereignty from colonialism to achieve sustainable development. Africa has been groping for ways to sort out the myriad challenges of nation building. But because of her banishment to the periphery of the international system, she does not have the prerogative to determine the best routes to travel to her envisaged salvation. She has been consistently advised to try and implement policies marketed as having the magical capacity to eliminate her developmental challenges. These policies are developed in the boardrooms of he Breton Woods institutions. But because of the growing disenchantment with policies, Africans are being advised to try out other models of development such as the Chinese model known as the Beijing Consensus

or the Indian model called the Mumbai Consensus. But for now the advocacy for the former is louder. The Beijing Consensus is hogging international attention. It is also causing a deluge of polemical sectarianism. Because of the admiration of how this model of development has broken the shackles of poverty for over three hundred million people, and increasing number of people (Africans and non-Africans) advise the continent to copy the model. It is strongly believed that this model of development can provide solutions to most of the problems facing the continent. Yet, there is the other contention that this model to which Africa is being referred is a model that cannot be repeated outside China because it is peculiar to it. Those who hold this view also argue that a closer relationship between Africa and China can only frustrate the efforts to entrench good governance on the continent. They point to allegations of human rights abuses and suppression of freedoms of individuals and minority groups by the Chinese government.

The Beijing Consensus (BC) is a term coined to contrast with the Washington Consensus (WC). It was coined in 2004; fifteen years after John Williamson coined the WC. Joshua Cooper Ramo, the man who coined it said:

China is marking a path for other nations around the world who are trying to figure out not simply how to develop their countries, but also how to fit into the international order in a way that allows them to be truly independent, to protect their way of life and political choices in world with a single massively powerful centre of gravity. I call this new physics of power and development the Beijing Consensus. It replaces the widely-discredited Washington Consensus, an economic theory made famous in the 1990s for its prescriptive, Washington-known-best approach to telling other nations how to run themselves. The Washington Consensus was a hallmark of end-of-history arrogance; it left a trail of destroyed economies and bad feelings around the globe. China's new development approach is driven by a desire to have equitable, peaceful high-quality growth, critical speaking, it turns traditional ideas like privatization and free trade on their heads. It is flexible enough that it is barely classifiable as a doctrine. It does not believe in uniform solution for every situation. It is defined by a ruthless willingness to innovate and experiment, by a lively defense of national borders and interests, and the thoughtful accumulation of tools of asymmetric power projection. It is pragmatic and ideological at the same time, a reflection of an ancient Chinese philosophical outlook that makes little distinction between theory and practice. Though it is decidedly post-Deng Xiaoping in structure, the Beijing Consensus still holds tightly to his pragmatic idea that the best path to modernization is one of "groping for stones to cross the river", instead of trying to make one-big shock-therapy leap. Most important, it is both the product of and defined by a society that is changing so fast that few people, even those inside China, can keep up with it. Change, newness and innovation are the essential words of power in this consensus, rebounding around journal articles, dinner conversations and policy debates in China with mantra-like regularity... The Beijing Consensus is as much about social change as economic change. It is about using economics and governance to improve society, an original goal of development economics that somehow got lost in the Washington-consensus driven 1990s¹.

Ramo might not be aware at the time he coined the term that he was setting off a debate that would alter much of the perception and debate of the orthodox ways of dealing with economic and development issues in the developing world. He might have unwittingly thought he was coining a conceptual antithesis of the WC.

Since it was coined, the BC has been both praised and vilified. Its fans contend that it has the power to help developing countries solve their development problems. On the contrary, its adversaries argue that, apart from its inability to be replicated outside China, it can encourage national development at the expense of the suppression of freedoms and democracy. It is these two appreciations of the BC that guides the pros and cons about the relationship that could possibly develop between it and Africa.

This paper proposes to look at some aspects of the contentions on the relationship that could possibly develop between Africa's development efforts and the Chinese model of development.

THE POLEMICS OF HOPE AND ILLUSION

The receptacle of advocacy for the Beijing Consensus is continually populated by well-sculptured arguments that it can be a paragon of development for those developing economies which could muster enough courage to dissent from the Washington consensus on its pontifications on development strategies. Perhaps, the BC is seductive to many because, unlike the WC, it allows for greater freedom of choice of action on

development for nations. It has enabled the Chinese to engineer a development miracle “without externally enforced structural adjustment programmes”. Allen Gresh said: “Countries can plan their own development without having to accept the unfavourable terms of the old “Washington Consensus”². Advocates of the BJ will be eager to mention Vietnam which by copying China has been able to achieve substantial success in her development efforts. Because of the great role it has played in China’s development, many Africans have come to fall in love with, nominating it as the clear and present hope for their continent. Ellen Lammers noted: “many African leaders view emerging South-South relations as a historic opportunity to escape their neo-colonial ties to the West. China’s example-400 million people were lifted out of poverty in two decades, without externally enforced structural adjustment programmes-has bolstered African countries optimism that they to can devise their own development path, and that the Western model is not holy. By presenting a ‘different’ approach to development, China styles itself as leader of the global south and champion of a progressive international order”³.

On the other hand, the pessimists contended that the Beijing Consensus is peculiar to China, and so cannot be repeated outside it. In their minds they may be thinking that it is liked the giant panda that is exclusively native to China. Even Cooper, the man who invented the term, does not believe China’s model of development can be replicated outside the country. He declaimed: “China’s path to development and power is, of course unrepeatable by any other power. It also remains fraught with contradictions, tensions and pitfalls”⁴. John Williamson’s doubts about the repeatability of the Chinese model elsewhere rested on the supposition that Confucianism which is the critical factor in the success of some Asian countries is absent in African cultures. Even the developing region of he about whom the whole argument it has reservation about the feasibility of transplanting the BC model. Proof: Sergio Fausta of Brazil said: “we have nothing against China – very interesting to know what’s going on in that country, and to engage with Chinese businessmen and academics. But replicating their model in our societies is simply not possible. Besides that, we do not wish to replicate the Chinese model in our societies, and we don’t see any reason to be seduced by it”⁵.

THE BEIJING CONSENSUS AND THE POLEMICS OF GOOD GOVERNANCE

One of the mantras of contemporary international development discourses is governance. Aid giving-economies are particularly interested in how prospective receivers of their foreign aid are governed. The donor economies divide the recipient counterparts into well-governed and badly-governed nations. The former are mostly those nations whose leaderships are amenable to the manipulations of the aid givers. An example is the monarchy of Saudi Arabia, which despite all the manifestations of autocratic rule, is considered to be well governed because of its strategic importance to the West. The latter comprise those nations whose leaderships tend to pursue policies that smack of a desire for independence of action in foreign relations. An example is Venezuela. This country is ‘badly governed’, despite all the laudable achievements of its current leadership, because the leftist inclinations of its president, Hugo Chavez.

What is governance? It is not easy to say what it is because, like any other phenomena, it is susceptible of semantic variances. Adel M. Abdellatif said: “governance nowadays occupies a central stage in the development discourse but is also considered as the crucial element to be incorporated in the development strategy. However, apart from the universal acceptance of its importance, differences prevail in respect of theoretical formulations, policy prescriptions and conceptualization of the subject itself. Governance as a theoretical construct, separate form the theory of state, is not only in an embryonic stage, but its formulation also differs among researchers depending upon their ideological convictions”⁶. The World Bank defined it as “the manner in which power is exercised in the management of a country’s economic and social resources for development”⁷. The UNDP defined it as “the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises mechanism, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. Good governance, among other things, participatory, transparent and accountable, effective and equitable, and it promotes the rule of law. It ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources”⁸. Having considered some contemplations of the phenomenon of governance, let’s now turn attention to what good governance is. Kofi Annan, former Secretary-General of the United Nations said: “Good governance is perhaps the single most important factor in eradicating poverty and promoting development”⁹.

A lot of carbon dioxide is being released over the type of relationship that can possibly develop between the Beijing Consensus and good governance; and it seems that those whose argument is that China cannot be a good example in governance are winning the debate. The pessimists can argue that the Chinese are exporting

bad political influence the same way they sometimes export low quality goods. It is their argument that makes the literature of Africa's relationship with China to be studded with forceful allegations of China being a malevolent influence upon the efforts to make the continent adopt better approaches to civil governance. Chinese are consistently accused of having no qualms in their desperation to cart home Africa's enormous natural resources like oil and timber. An accuser, George Ayittey stated: "China deals with just about any rogue and unsavory regime in Africa. It supplies jet fighters, military vehicles and guns to Zimbabwe, Sudan, Ethiopia and other repressive governments. At the UN, China has used its veto power to block sanctions against tyrannical regimes in Sudan and Zimbabwe...China's increased engagement with Africa has impeded the continent's halting steps towards democratic accountability and better governance. The West has made its aid conditional on progress on these fronts. But since China attaches no such conditions, African countries receiving Chinese aid have little incentive to improve governance. Indeed in 2003, when the IMF suspended \$2 billion in aid to Angola, citing rampant corruption, China came to the rescue with a \$2 billion oil deal". At home, China is accused of political vices such as violation of the basic rights of man, suppression of freedoms and opacity in the running of government businesses. Though these accusations have not been sufficiently checked out, it is being forcefully alleged that this tendency to ignore the critical issues of good governance such as human rights, democracy can only embolden the propensity of some African leaders towards autocracy and corruption. Robert Mugabe of Zimbabwe, Hassan Al-Bashir of Sudan, Eduardo dos Santos of Angola are often mentioned by the pessimists as good examples of how China is helping to breed and complicate the problem of bad governance in Africa.

However, this allegation is opposed by those who argue that the problem of bad governance facing Africa has its taproots in the decades of abused relationship between Africa and the West. The keystone of the opposition is that the West has a penchant to protect and humor the continent's bad leaders so long as they are willing to behave in ways that advance the selfish interests of their Western patrons. It is also noted that the West has no moral right to get angry with Africa's corrupt leaders since the money being safely invested or banked in the West, whereas it is not yet long when Africa's kleptomaniac leaders began banking or investing looted money in China. In fact, at present there is not even one strong evidence of African leaders stashing away or investing looted money in China. Examples of Western collaboration in looting African economies include Mobutu Sesse-Seko of Zaire, Sani Abacha of Nigeria, Equatorial Guinea. In fact, there is hardly any African leader without a back account or investment in the West. Ellen Lammers would think that those accusing China of encouraging bad governance in Africa would be wrong since "the fundamental similarities between Western and Chinese approaches to Africa can hardly be denied. China is not alone in supporting authoritarian regimes in Africa – witness US and French support to oil producers such as Gabon, Angola, Chad and Equatorial Guinea. Like China, the EU is a large purchaser of illegally harvested African timber, and disadvantageous terms of trade have characterized Africa-Europe relations for centuries"¹¹.

CONCLUSION: The Disillusion with the Orthodox and the need for the Autogenic

The polemics over whether the Beijing Consensus will benefit or harm Africa, like any other polemics, may continue for a long time, because there is not describable picture yet of how Africa's relationship with China will pan out. But there is so much agreement yet on the inability of the Washington Consensus to do much to help the continent overcome most of her development challenges. This dilemma of uncertain future and apparent disappointment is inducing some persons with concern for the continent's development to advise a hunt for new strategies of development. Sanusi Lamido Sanusi, former Nigeria's chief banker called for the abandonment of the Washington and Beijing Consensus. He declaimed that:

The need for radical re-thinking on development strategy is imperative for African countries to be relevant in the global economy. This is further reinforced by the stark reality of extreme poverty in Africa. Over the years, the share of Africa in global trade remained insignificant despite the implementation of the policies that were recommended by international financial and development institutions, such as the International Monetary Fund (IMF) and the World Bank. The dismal performance of African economies calls to question, the effectiveness of the economic ideologies being prescribed by international institutions, and points to the need for a paradigm shift in order to achieve sustainable development. Over the last quarter of a century, Africa has been at the receiving end of liberal orthodoxy from these institutions that have persistently advocated, among other things, privatization of state-owned enterprises, free trade, intellectual property rights protection and deregulation of foreign direct investment (FDI) as requirements for developing countries to grow and develop. This policy prescription was what John Williamson coined (called) the 'Washington

Consensus'. This neo-liberal ideology is reflected in the policies of the Breton (sic) Woods Institutions: the IMF, the World Bank, and the World Trade Organization (WTO). Specifically, both the IMF and the World Bank condition their offer of assistance to developing countries that adopted its doctrines, especially in Sub-Saharan Africa, Latin America and the former Soviet bloc showed that it had failed to deliver sustained growth as promised by its promoters. The remarkable economic growth of China in the past 30 years, with the country having declined to adopt the original and extended framework of the Washington Consensus, has raised further doubt on the unassailability of its capabilities.¹²

Tony Elumelu, former chief executive of a leading Nigeria bank, proposed a novel philosophy of development he called Africapitalism. His outline of what this novel development philosophy is was captured in these words:

Too often, African development is seen through the lens of aid, resource deals or geopolitics. However, true growth and economic development in Africa will only be achieved with private sector commitment to economic transformation...one that seeds new businesses, put economic wellbeing within the reach of millions, and helps solve our most pressing social problems. We call this Africapitalism. Africapitalism is an economic philosophy that embodies the private sector's commitment to the economic transformation of Africa through investments and that generate both economic prosperity and social wealth. We see Africans taking charge of the value-adding sectors and ensuring that those value-added processes happen in Africa, and not through nationalization or government policies, but because there is a generation of private sector entrepreneurs who have the vision, the tools and the opportunity to shape the destiny of the continent. Africapitalism is not capitalism with an African twist; it is a rallying cry for empowering the private sector to drive Africa's economic and social growth... Our success...and Africa's enrichment lies in our own hands. Nobody is going to develop Africa except us. We must build the capacity of a new generation of Africapitalists, to deliver goods and services to a continent of consumers, expand operations beyond our borders, and open avenues of opportunities for millions. Africa demands this if we are to own our future.¹³

The Beijing Consensus is a phenomenon whose identity is still being developed by its proponents. So, maybe the best comment to make on it is to say that it is still a developing story. Basic questions about its essential characteristics, such as its being a consensus between or among whom, are yet to be answered. We know that the Washington Consensus is a consensus between the International Monetary Fund and the World Bank and their affiliates. But the proponents and promoters of the Beijing Consensus are yet to tell us between or among whom the BJ is.

Since the Washington Consensus, despite all the well-lubricated propaganda that accompanies it, appears to have failed Africans, and since the Beijing Consensus is yet to assume a describable shape, it may be suggested that Africa should look inwards for internal solutions for her problems of development. While looking inwards, Africans should not forget that the type and quality of governance a country operates have tremendous impact upon development. The Chinese model of development over which the continent is going overboard is a development strategy that may be easily replicated elsewhere because it was originated by a people to suit the particularities of their circumstances. Similarly, the Washington Consensus is a factory where ideas that have not worked efficiently for developing economies are churned out. The presenter, therefore, has little doubt that the both Consensuses may be converging at a point where they will gang up against Africa. The concern of the pessimists and the excitement of the optimists may not be mutually exclusive; they can co-exist because the two camps have their fine points. Africa, about whom the argument is, is the major stakeholder in the whole debate about the virtues and vices of the Beijing Consensus. Therefore, she should be able to know which side her maize is roasted. The continent should decide the best ways to craft a model that while encouraging development will not compromise the essential demands of good governance. She may decide to try out an autogenic, indigenous model that may be called African Consensus. While trying to overcome the challenges of development, Africans must not forget that development is a product of good governance. Corruption, sectarian jingoism, bad political culture and other vices of society have never prospered a people.

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