Book Review

Ching Kwan Lee (2017) *The Specter of Global China: Politics, Labor and Foreign Investment in Africa.* Chicago: University of Chicago Press. ISBN 9780226340838. 256 pp. Paperback $30

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"China in Africa" has been a reality since the turn of the millennium when Beijing announced its "going out" policy. It is only in recent years, however, that it has become a phenomenon. Negatively portrayed as a neocolonial phenomenon, China's capital is viewed as exploitative compared to global capital, especially in Western rhetoric. It is this juxtaposition of Chinese versus Global capital that Ching Kwan Lee examines in *The Specter of Global China*.

A leading sociologist based in the United States, Lee has two decades of experience studying China's labour politics. Starting in 2007, she spent seven years on this comparative ethnography of Chinese presence in Zambia. Lee was a uniquely positioned researcher, as she gained access to the political elite and the field for research in her capacity as an advisor to the then Vice President of Zambia.

In an engaging start, Lee observes that it is historically inaccurate and "not intellectually productive" to label China in Africa as "neocolonialism", for China does not have a military presence in the continent or a sovereign company enjoying exclusive trading rights (p. xi). Moreover, Lee distinguishes between private capital from China and Chinese state capital for this study, to pre-emptively correct errors the reader might make in analysing China in Africa. She also makes the compelling argument that a state-owned enterprise (SOE) wields power at home, but abroad it is just another foreign entity, operating as per local interests. This argument discredits the idea that China's SOEs are more powerful than other foreign entities in Africa.

Lee's book comprises six chapters. Chapter One lays the groundwork: its focus is the peculiarity of Chinese state capital. Based in Zambia, the comparison between Chinese *state* capital and global *private* capital is conducted across two industries: copper and construction. The study risks simplification of empirical cases; therefore, it delves into a comprehensive comparison of China's state capital and global private capital, aiming to uncover the interests that drive them.

Copper and construction were seen as central industries given their importance in China's outbound investment, in Africa and elsewhere, and because Zambia sees them as paramount (p. 23). Zambia is heavily copper-dependent and focusing on the industry fulfils a state objective: "value addition".[1] Construction is prized here for generating employment and entrepreneurial opportunities. Notably, this industry is catalysed by Chinese concessional loans.

Here, Lee illuminates the strategic importance of Zambia: it is Africa's top producer of copper, houses the first mine overseas acquired by China and is ranked fourth in China's foreign direct investment (FDI) stock portfolio (p. 25). Home to many Chinese state-owned special economic zones, Zambia has been among China's strongest African allies. These conditions are

[1] Value addition relates to optimally utilising natural resources to produce finished products while benefiting from the linkages created by the mining value chain, all in an effort to achieve the ultimate goal of mining sharing in at least 20 per cent of GDP by 2030 (p. 24).

conducive for development spurred by Chinese capital, rendering Zambia a fine exemplar for analysis.

Chapter One also investigates the existing body of literature, using two lenses to view China in Africa: literature on "varieties of capitalism" and Chinese capitalism. Lee's contribution to this body of work is a combination of the two approaches of national institutionalism[2] (upheld by scholars on varieties of capitalism) and of structural determinism[3] (advanced by scholars on capitalism in China). Lee adds a few improvements, namely, the inclusion of two significant entities: the pre-eminence of politics in shaping the presence of "China in Africa" and the eventful nature of capitalism.

In the chapters that follow, different dimensions of capital are analysed, starting with Chapter Two: the accumulation imperative of Chinese and global varieties of capital. While the former is driven by imperatives beyond profit, the latter is purely interested in profit-maximisation. Chinese capital in Zambia seeks political gains via state capital and resource security in order to bridge the gap between resource supply and demand at home. Unlike with global private capital, monetary profits are a priority for China but their maximisation is not. This is the case in the establishment of the Zambia–China Cooperation Zone (ZCCZ), a special economic zone in a mining concession area which was expected to generate six thousand jobs and fulfil the Zambian state's value-addition objective, despite not being very profitable. Chinese officials stated that the Zone was set up to demonstrate long-term commitment, and eventually make Chinese capital "influential" (p. 44), whereas global private capital saw it as "economically unviable" (p. 43) and did not participate at the outset.

In construction, China is not quite as accommodating in handing out "concessional loans" with hidden conditionalities to politicians who wish to fulfil short-term gains. This could birth a severe debt crisis in Zambia in the long term, leading one to believe that the logic of accumulation here is profit-maximisation.

Chapter Three turns to the next dimension of capital: regimes of production, as organised by the two types of capital. Chinese state capital concentrates on a production-driven regime and global private capital on financial drivers, therefore reacting to market volatility more severely. While China was invested in stable, sustainable production, the globe was invested in "exchanging copper for profit" (p. 59). During the financial crisis of 2008, foreign private capital halted mining to cut losses, while China continued in order to maintain stability in production. In essence, China *exploited* labour by giving low wages whereas private capital *excluded* labour by retrenchment. Succinctly, Lee's analysis suggests that China's regime is more responsive to changes in politics, whereas the global private sector's is more responsive to changes in price (p. 92). As for construction: in a sector marked by disorganised labour and collective capacity, global and Chinese capital were found to be equally exploitative.

The fourth chapter discusses the last dimension of capital: managerial ethos. Lee introduces the notions of "collective asceticism" in Chinese capital and "individualistic careerism" in global private capital (p. 93). China's ethos is a collective mentality teaching devotion to one's work in fulfilling a national duty. Seen by Zambians as over-productive and overly disciplined, Chinese migrant workers are hence rumoured to be China's prison labour. On the contrary, global private capital follows the ethos of focusing on the self: on one's entrepreneurial drive and career

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2 National institutionalism is the idea that "institutions in different parts of the economy and government reinforce one another" (p. 6). It dominates literature on varieties of capitalism.

3 Structural determinism in literature on China is Marx-inspired. It views Chinese development as a product of global imbalances and conditions (p. 8).

aspirations, with no overlap of one's personal life. Managerial ethos manifests itself at the workplace. For example, a mine worker expresses his shock when comparing a Chinese CEO standing in the lunch queue at a copper mine to the CEO of a Western-owned firm who is eating lunch brought to his office by his secretary (p. 130). It merits mention that ethos is a dynamic, embedded dimension of capital compared to imperatives and regimes. Managerial ethos can transform, especially when exposed to other cultures.

Chapter Five centres on labour in Zambia: what the working class seeks from foreign capital, how capable it is of securing it and what impact collective action has had. The Zambian people boast of a long history of resistance, especially in mining. Therefore, comparing copper mining and construction, workers have found more success in addressing their struggles in mining. Moreover, during miners' strikes, Chinese companies made more concessions than other foreign companies. In construction, however, given the lack of popular and government pressure, Chinese capital was found to be just as "predatory" as global capital (p. 123).

Through their experiences, miners have developed an array of moral and material standards of growth and development, through changes of owners: from colonial to national to multinational. These standards concern long-term development and skills refinement, people-oriented capital flow and an actively involved government. While some standards have been met, they have not been maintained. According to the ethnographic research, improvements in standards of living were made at some junctures, especially when labour withdrew in protest, threatening production directly. However, they were not long-lasting due to susceptibility to copper prices and national debts. Workers demonstrated different means of activism when aggrieved: strikes, theft and campaigns against multinational corporations. Only the working community's direct actions, as in labour withdrawal, made an impact. Transnational movements took shape in the West without impact on the ground, given the wide gap between activists abroad and local communities. Additionally, fragmentation among the working class, based on a lack of trust in labour unions, for instance, diluted the impact workers potentially had via collective action. Their focus also shifted in a different direction – from collective to individual – as the availability of micro-loans brought with it the potential for small-scale, self-owned businesses.

When comparing Chinese capital to global capital from the perspective of labour, both fall short in meeting the needs of the working class vis-à-vis working conditions, community development and skill enhancement. The author believes that foreign capital can only be re-channelled toward the betterment of locals via "political synergy": alignment of citizens' interests with government's action (p. 151).

In her final chapter, Lee concludes that all three dimensions of capital in Zambia were subject to political constraint and counter-movements and that, under certain conditions, Chinese state capital is indeed different from global private capital. China is distinguished from the rest of the world by its intentions which transcend profit maximisation: intentions toward political gains and accessing key natural resources. However, having broader interests does not qualify China as a more powerful or dangerous contributor of capital.

I believe a key takeaway is that capital from the Chinese state has made more compromises to accommodate Zambian demands than global capital, because China is looking to win favour. In terms of labour, China evidently remains more responsive with concessions to labour activism than global private capital. However, I believe the future is bleak for the unorganised construction sector. As the author states, a political synergy and specific drive as in value addition in mining is the key to changing the construction game.

BIOGRAPHICAL NOTE

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