

## **ChinAfrica and the development of the human capital**

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### **Abstract :**

The development of human capital and know-how is a key element and the foundation for economic growth, especially for least developed countries. The question is how the Chinese involvement in the African continent may affect the progress of Africa, economic growth and productivity, the generation and distribution of income and wealth, the working of labour market, the environmental equilibrium development of human capital that it implies. It is well known that human capital depends on the care and nurturing of children, education, experience, learning by doing for example. It also depends on good governance, appropriate institutions and public and private expenditures on infrastructure.

During the last decade tens of thousand Chinese entrepreneurs have uprooted themselves from China and migrated to Africa, the world's poorest continent, with Chinese-government approval. According to the estimations, there are around 750,000 Chinese across the continent, 900 Chinese companies, and an overall Chinese investment of \$6 billion. The Chinese work in agriculture, trade, oil industry, and construction. They develop giant state-financed infrastructure projects building roads, railways, sports stadiums and parliament buildings.

Today the Chinese are Africa's newest, most enthusiastic capitalists. China's overriding motivation in Africa is raw materials. It may have become the workhouse of the world but it has almost no natural resources of its own to sustain its new dynamic role. Africa can also be a solution address the problem of the importance of the Chinese population. China is also sending technicians to

Africa, concluding military co-operation agreements, and opening the doors of their universities to thousands of African students. It could be a immense opportunity. Chinese contractors are fast and competitively priced. China's provides cheap chemicals enabling, in Tanzania's case, the local pharmaceutical industry to manufacture life-saving generic anti-retroviral drugs for the millions of Africans with Aids. In the opposite, Western nations' post-colonial guilt has sometimes driven them to see Africa only as a charity case, with hand-outs instead of a hand-up.

But the Chinese cash could turn out to be a curse if it is misused by Africa's leaders who can be easily tempted by corruption. Some Chinese enterprises have turned out to be just as greedy and cut-throat as their old Western counterparts, with behaviour on the margins of legality. It seems that China is not interested in transparency or good governance. It ignores human rights, corruption and environmental standards. That is exactly what makes it so attractive to the more repressive African leaders, free of irritating Western conditions.

Under what circumstances the Chinese involvement in Africa can really have a positive effect on the development of infrastructure necessary for the development of human capital ? Can the establishment of Chinese companies on the continent cause positive spillovers such as learning by doing ? What are the actual relationships between Chinese companies and local producers ?

The paper proposes to base its conclusions from the specific experiences of french-speaking West African countries. The study of individual companies will provide an analysis at micro level, which will also allow us to draw some conclusions at the macro level and to define indicators on the evolution of african human capital linked to the chinese involvement.

### **Some bibliographical indications**

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