What China Is Learning From West African Managerial Practices

Abdoukadre Ado
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China Local/Global

China has become a global power, but there is too little debate about how this has happened and what it means. Many argue that China exports its developmental model and imposes it on other countries. But Chinese players also extend their influence by working through local actors and institutions while adapting and assimilating local and traditional forms, norms, and practices.

With a generous multiyear grant from the Ford Foundation, Carnegie has launched an innovative body of research on Chinese engagement strategies in seven regions of the world—Africa, Central Asia, Latin America, the Middle East and North Africa, the Pacific, South Asia, and Southeast Asia. Through a mix of research and strategic convening, this project explores these complex dynamics, including the ways Chinese firms are adapting to local labor laws in Latin America, Chinese banks and funds are exploring traditional Islamic financial and credit products in Southeast Asia and the Middle East, and Chinese actors are helping local workers upgrade their skills in Central Asia. These adaptive Chinese strategies that accommodate and work within local realities are mostly ignored by Western policymakers in particular.

Ultimately, the project aims to significantly broaden understanding and debate about China’s role in the world and to generate innovative policy ideas. These could enable local players to better channel Chinese energies to support their societies and economies; provide lessons for Western engagement around the world, especially in developing countries; help China’s own policy community learn from the diversity of Chinese experience; and potentially reduce frictions.

Evan A. Feigenbaum
Vice President for Studies, Carnegie Endowment for International Peace
Summary

Joint ventures have enabled Chinese companies to cultivate a presence in three West African countries—Ghana, Niger, and Nigeria. Investing in joint ventures has enabled Chinese cultural adaptation by emphasizing training programs in languages commonly spoken in West Africa, embracing local management styles, and assimilating some local practices. This has been especially true in three key economic sectors: free trade zone promotion and related services, transportation and aviation, and oil and gas. Chinese firms are also complementing these growing business arrangements with the use of local languages, social media outreach, and other forms of local engagement with West Africans. In doing so, Chinese organizations have responded to some of the demands of their African partners in local, state, and central government posts.

It would be beneficial for African governments, businesses, and corporate managers to explore further ways to incentivize Chinese government decisionmakers and Chinese businesses to use joint ventures more often as the vehicle for their investments in Africa. To deepen the impact of such efforts, they should also encourage Chinese organizations active in West Africa, and across the continent in general, to embrace the use of local languages, especially for conducting business, and to train more Chinese expatriates to use African managerial philosophies that have proven to respect local values while being effective in African markets.

Introduction

Joint ventures have enabled Chinese companies to invest, utilize language training programs, and embrace local management styles and cultural practices in three distinctive West African countries—Ghana, Niger, and Nigeria. Such companies formed by Chinese and African partners have been particularly notable in three sectors: free trade zone promotion and related services, transportation and aviation, and oil and gas. Economic engagement between Chinese and African investors in these three countries and these three sectors highlight meaningful ways that the Chinese government and Chinese corporate entities are adapting, or at least trying to adapt, to African realities and expectations.

Research on China’s engagement abroad and Chinese firms’ business operations in foreign countries often argues that Chinese organizations are not keen to adapt to local contexts. As a result, some analysts of China-Africa relations argue, or at least imply, that China does things as it wishes in Africa and that African countries have little agency in shaping how Chinese governmental and commercial players operate in their countries. Some analysts have even characterized African countries’ relationships with Beijing as the “Chinisation of Africa.”¹ This line of thinking tends to assume that local contexts have mattered little for Chinese economic activities in Africa so far.
But Chinese commercial engagement in Africa is increasingly adaptative to local contexts, conditions, and complexities. In Ghana, Niger, and Nigeria, Chinese actors are adjusting their ways of doing business to consider local realities with respect to both formal and informal institutions. For one thing, the Chinese players who are active in these three countries are acknowledging and mobilizing African practices and cultural traditions to support their own business goals and sometimes those of their local partners. The level of Chinese economic engagement tends to differ from one African country to another, with some places being more welcoming of a Chinese commercial presence than others. The specific patterns of Chinese adaptation also tend to vary between different parts of Africa. For instance, these adaptations may look different in a Francophone country like Niger than they would in a country like Nigeria. Niger is a nation where China’s adaptation differs from its adaptation in Ghana or Nigeria since language and managerial practices partly are derived from various French and British cultural traditions and colonial imprints in those three African countries.

### China’s Economic Impact in West Africa

Chinese companies have been active throughout West Africa, and joint ventures have been a prominent feature of this engagement—one that allows African partners to shape and influence these firms’ business practices. This analysis focuses on three such joint ventures: the Lekki Free Zone Development Company (LFZDC) in Nigeria; Africa World Airlines (AWA), an air carrier based in Ghana; and the Zinder Refining Company (hereafter referred to as SORAZ) in Niger, an oil refinery involving a partnership with one of China’s major oil and gas firms, the China National Petroleum Corporation (CNPC).²

These three major Sino-African joint ventures are still operating more than a decade after their creation. And whereas many Chinese joint ventures in Africa and around the world have failed, these three have managed to survive all the cross-cultural challenges and pitfalls associated with international investment partnerships in Africa. Indeed, one can even argue that these joint ventures now enjoy more success than typically expected in West Africa. After all, LFZDC has become Nigeria’s premier company in managing a free trade zone (a zone where established businesses enjoy tax breaks and other preferential treatment) and for attracting new foreign direct investment (FDI), especially from China,⁴ while AWA is now one of Ghana’s leading airlines with more than 2.5 million passengers served,⁴ and SORAZ is a top refinery in Niger.⁵

In general, the literature on international joint ventures predicts that they face a high risk of failure if an investment strategy is poorly executed in the host country, whereas their success depends on partners’ local network advantages such as good business ties in the host country and on local
institutional differences. So it is noteworthy not just that these three joint ventures have been relatively successful but that they have done so in an economic and investment environment generally seen as risky. Quite clearly, the reason for their relative success is the high level of familiarity they have demonstrated with their local environments. Table 1 highlights the background of these three joint ventures and their major Chinese and African stakeholders.

**TABLE 1**

Profiles of Three Major West African Joint Ventures

<table>
<thead>
<tr>
<th>Joint venture</th>
<th>LFZDC (Nigeria)</th>
<th>AWA (Ghana)</th>
<th>SORAZ (Niger)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation</td>
<td>2006</td>
<td>2010</td>
<td>2008</td>
</tr>
<tr>
<td>Location</td>
<td>Lagos</td>
<td>Accra</td>
<td>Zinder</td>
</tr>
<tr>
<td>Sector</td>
<td>Free trade zone promotion and related services</td>
<td>Transportation and aviation</td>
<td>Oil and gas</td>
</tr>
<tr>
<td>African and Chinese Shareholders</td>
<td>▪ China-Africa Lekki Investment Limited (a consortium of Chinese firms) 60%8</td>
<td>▪ HNA Group (majority shareholder)9 ▪ China-Africa Development Fund</td>
<td>▪ CNPC 60%10 ▪ Government of Niger 40%</td>
</tr>
<tr>
<td></td>
<td>▪ Lekki Worldwide Investments Limited 40%</td>
<td>▪ SAS Finance Group</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Social Security and National Insurance Trust</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: Company websites and other public information (see endnotes).

The relative success of these three joint ventures has coincided with a marked increase in bilateral trade and investment flows between China and these three West African countries in recent years. Indeed, China has intensified its presence in West Africa over the past twenty years.

West Africa has become an important focus of China-Africa business relations as this footprint has expanded. This presence has grown from a modest starting point in several countries in the region. For economies like Ghana, Niger, and Nigeria, China has often ranked as a leading trade partner. As diplomatic and trade ties between China and West Africa have expanded, the on-the-ground presence of Chinese businesses and direct investments have also increased.

As Africa’s largest economy, Nigeria has seen more and more foreign investors and multinational corporations open business operations in the country. Chinese engagement, too, has grown concomitantly, with China becoming a significant funder of major infrastructure projects such as the Lagos-Ibadan railway. This railway is a recently completed flagship project of Beijing’s Belt and Road Initiative, with a cost of nearly $1.5 billion for about 150 kilometers of track. Other major Chinese investments in the country span other sectors, such as education, services, and agriculture. For
Nigeria, China also represents an important trade partner, so more Chinese companies have opened new factories in the country, including in the nation's largest business hub, Lagos. Given these ties and the economic boom that has occurred in both countries, these commercial relationships have the potential to grow further in importance, despite major bilateral problems.17

For its part, Ghana is West Africa’s second-largest economy, with a gross domestic product of around $77 billion in 2021.18 The commercial presence of Chinese firms and investments have grown there too. Ghana now hosts a regional office of China’s major overseas funding vehicle on the continent, the China-Africa Development (CAD) Fund. The Chinese government announced it during the 2006 Forum on China-Africa Cooperation (FOCAC), an intergovernmental group that includes Beijing and nearly all African governments, and it was formally established in June 2007.19 This fund is China’s main financial channel for investing in Africa, operating under the umbrella of one of China’s two main policy lenders, the China Development Bank. Accra hosts the fund’s representative office for West Africa, while four other regional offices are in Ethiopia, Kenya, South Africa, and Zambia.20

The CAD Fund office in Ghana has served as a financing hub for many China-Ghana ventures across the country and the subregion operating in sectors ranging from power generation to mining and transportation. According to the fund’s website, its investment philosophy “guides and supports Chinese enterprises in their direct investment in Africa by providing investment and consulting services in line with the economic and the industrial development agenda of both China and Africa.”21 This statement offers at least a rhetorical nod to the idea that the fund has some local features in the sense that it claims to integrate Africans’ own agenda of economic and industrial development. This provides a glimpse into the investing and managerial adaptation that Chinese actors are making in Ghana and, more broadly, around West Africa.

In Niger, meanwhile, China’s presence became more noticeable in the early 2000s, when Niger decided to diversify its roster of foreign partners. The cooperation between the two countries initially focused on aid and infrastructure development and funding. Collaboration then expanded into other areas including trade, mining, petroleum, agriculture, education, healthcare, and other capacity-building projects.22 More recently, Niger has engaged in broader diplomatic and security ties and larger trade volumes, although these flows remain mostly imbalanced, with more merchandise imports from China based on official trade data.23

With this increased engagement, Niger now has a growing oil and gas industry with Chinese involvement, as reflected by SORAZ and the Agadem oil field (in northeastern Niger), as CNPC installed more than 150 wells and helped find more than 100 new oil deposits from 2008 to 2017.24 In fact, China and Niger are building a $4.5 billion pipeline that will pump crude oil from Niger to the Beninese port of Seme, around 1,250 miles away.25 This new joint infrastructure project is meant to
mitigate the security and logistical challenges facing Chinese economic activities in Niger in an adaptive way. And oil from Niger is also being exported to international markets through a Cameroonian port via Chad, although increased terrorism around the borders of Niger, Chad, Nigeria, and Cameroon has created new challenges for oil transit.

Overall, the increase in China’s economic presence in West Africa is manifested through various industries and in many forms, including transport infrastructure projects, financing deals, cooperation in special economic zones, cultural exchanges, and educational partnerships. Ghana, Niger, and Nigeria have become particularly close to China as their bilateral trade with the country has reached new heights in recent years. Indeed, trade between China and all three West African countries has increased significantly, although the nature and composition of their respective trade flows with China have unique characteristics. This has translated into more merchandise exports to China but even higher increases in imports from China. Figure 1 shows the evolution of trade ties between these three countries and China over the past eleven years.

**FIGURE 1**

*Merchandise Trade Between China and West Africa*

![Graph showing merchandise trade between China and West Africa from 2011 to 2020.](source)

This figure indicates that Ghana, Niger, and Nigeria have consistently posted trade deficits with China each year (2011–2021). These trade relationships remain imbalanced despite efforts to reduce such deficits through recent shifts in the African countries’ trade policies. For instance, in 2019, the Nigerian government and its central bank decided to stop providing foreign currency exchanges to some sectors to curb the momentum of imports and to encourage local production at a time when China alone supplied more than 23 percent of Nigeria’s annual imports.

Investments by China and Chinese companies in West Africa have increased significantly over the past ten years too, with multiple infrastructure development and financing efforts, sometimes in collaboration with local partners. Although the volume of FDI to Africa from around the world has decreased in recent years, Chinese FDI in places like Niger has kept increasing during that same period. Figure 2 highlights trends of Chinese investment stocks in Ghana, Niger, and Nigeria.

**FIGURE 2**

*Chinese FDI in West Africa*

Despite contrasting FDI trends in recent years across Africa, investments from China are significant in these three countries, especially when weighed against the relatively lower overall levels of inbound FDI across the continent. This trend raises new questions about how China is investing and how it is adopting West African practices in the process.

**Investing in West African Joint Ventures**

One significant form of adaptation is the growing Chinese attraction to joint venture arrangements with local organizations in West Africa. A joint venture is an agreement that brings at least two partners, often from different countries, together to cooperatively create a new business owned by both parties, one that maximizes the strengths of each partner while minimizing their weaknesses. In other words, a joint venture is based on the logic that two partners can achieve a better outcome than if each partner does it alone.

A joint venture is also a way for a foreign entity (such as a Chinese company) to enter a country by collaborating with a local West African entity to minimize risks and maximize financial returns while having a larger social impact and garnering greater legitimacy in a new business environment. In West Africa (as in many regions), joint ventures are often used by foreign firms seeking to navigate local rules, regulations, and cultural differences. Sino-African joint ventures are on the rise across Africa, as Chinese investors seek to adapt to local contexts.

These joint ventures can blend the strengths of Chinese and African partner organizations. Such joint ventures allow African and Chinese cultural practices to co-exist, and they are becoming increasingly common tools for Chinese firms to establish cooperative business relationships. This has enabled Chinese expatriates to learn from West Africans and vice versa.

Data on the 600 largest joint ventures established in the last thirty years around the world indicate that firms with a fifty-fifty ownership breakdown are the most common and tend to last the longest on average. Despite these statistics, a study of twenty-nine Chinese joint ventures indicated that Chinese companies have established majority shareholder structures (with at least 50.1 percent equity shares) in 90 percent of cases in African countries. Although Chinese shareholders often do control the joint venture because they own a majority of equity shares, it appears clear that they still put some effort into adapting to local conditions in Africa by using joint ventures as means of entry for their foreign investments. In fact, many foreign investors appear to choose joint ventures precisely to help them compromise with local partners with intercultural exchanges becoming a key component of their business dealings.
When Chinese players use joint ventures to make investments in West Africa, they reflect one or another of four major conditions for adaptation to local contexts. These conditions embody the advantages and disadvantages of adaptation for both Chinese and West African parties and generally lead Chinese partners to favor joint ventures over wholly owned subsidiaries when engaging in West Africa. Table 2 describes the four conditions that are central to Chinese investors’ choices of how to enter West African markets. In the table, concessions refer to a willingness (or lack of willingness) to use the other party’s culture and style. Business risks refer to the probability of losing money because of poor investment decisions that are contingent on local contexts. Meanwhile, cultural risks refer to the propensity for dysfunctional human resource management and related conflicts in a joint venture.

**TABLE 2**

**Major Considerations of Adaptation and Investment Decisions in West Africa**

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For Chinese actors</td>
<td>For West African actors</td>
</tr>
<tr>
<td>Joint ventures:</td>
<td>High adaptation</td>
<td>West Africans gain some concessions from Chinese counterparts on using local practices</td>
</tr>
<tr>
<td>Wholly owned subsidiaries:</td>
<td>Low adaptation</td>
<td>Chinese investors make fewer concessions to West Africans on local practices</td>
</tr>
</tbody>
</table>

Establishing a Comparative Advantage Over Competitors

By using joint ventures to enter West Africa, Chinese investors can mitigate business and cultural risks at all levels of operations by considering the input of not just the Chinese side, but local partners steeped in local expertise. For instance, a recent study found that Chinese joint ventures that mobilized networked social connections (or *guanxi*) through locals who lived in China were more successful at securing local contracts and obtaining loans from local banks than those that mobilized locals who did not live in China. This shows a Chinese way of navigating local contexts by using rooted social networks that connect Africa’s and China’s business cultures.

The strategy of mobilizing the advantages of local networks and knowledge serves joint ventures well. Indeed, this approach allows a joint venture to maximize its performance by selecting and adopting the best practices of multiple worlds to ensure successful operations and local market penetration.
Joint ventures in West Africa are an advantageous arrangement including for locals, since Africans win concessions from their Chinese partners, while Chinese counterparts must give up some foreign practices and embrace local West African ways of doing business. That said, Africans in joint ventures are expected to concede to some Chinese practices at the local level too, since such mutual tradeoffs are in the very nature of a truly joint venture.

Mitigating the Risks of Wholly Owned Subsidiaries

With wholly owned subsidiaries, by contrast, Chinese investors tend to avoid accommodating Africans or assimilating local African business practices since the Chinese party controls the entirety of the company’s shares and thus holds power over the most important decisions regarding how the company is managed locally. This offers Chinese investors an opportunity to exercise power, but wholly owned subsidiaries in Africa also can show that Chinese investors lack the knowledge or connections to mitigate locally embedded business risks such as expropriation. Africans do often accept Chinese wholly owned subsidiaries mostly to learn from purely Chinese business practices, but they often lose agency, influence, and control in such cases because of the power imbalance in favor of Chinese investors.

The most adaptive Chinese firms, therefore, opt for partnerships with local West Africans. Such moves sometimes come at the request of the Ghanaian, Nigerien, and Nigerian governments and the local business communities in these three countries, who all have been pushing increasingly hard for more indigenization of local practices by Chinese corporations. As a result, Chinese investors and even Chinese government officials in Beijing are now also encouraging their representatives and organizations to mobilize more local financial, managerial, technical, and human resources expertise and tap the potential of local traditions when operating on the continent.

Likewise, fieldwork and previous studies by the author have revealed that Chinese investors are, in many cases, overcoming the impulse to exercise total control and instead adopting joint ventures in West Africa, with the result that local contexts are becoming integrated into Chinese strategic approaches to business operations. The following observations include some of the important adaptation patterns by Chinese corporate entities that have adopted such a strategy.

The Lekki Free Zone Development Company in Lagos, Nigeria, has regulations for businesses that offer opportunities to locals and help ensure equal treatment. In fact, the Lekki Free Zone now hosts business operations of around thirty international companies. Local employees are promised welfare benefits as stipulated in the following terms of relevant regulations: “The Authority/Zone Management shall with the co-operation and participation of Employers and Employees, provide welfare benefits required by Zone Employees such as housing, sports facilities, health and medical services.”
To offer more job security to local employees, the Nigeria Export Processing Zones Authority’s local regulations governing the Lekki Free Zone Development Company and the trade area it manages also emphasize that “neither party may unilaterally terminate the contract except in cases where the employment contract provide otherwise. In the event of unilateral termination of contract by either party, the other party may claim damages through the boards of settlement of disputes.” Moreover, to ensure that Chinese companies operating in the area respect Nigeria’s labor standards, those local regulations also guarantee the following: “any overtime work performed by an employee in excess of eight hours per day must be paid the benefits contemplated in the employment contract.”

The SORAZ refinery in Zinder, Niger, has hired a significant number of local employees rather than simply importing Chinese labor, as Chinese firms have sometimes done elsewhere. In fact, according to employment and wage data on the refinery, there were 425 local employees versus 300 Chinese expatriates working there. That said, the Chinese employees earned far higher wages—a collective total of 20 billion Financial Community of Africa (CFA) francs—whereas local employees earned only 2.5 billion CFA francs, even though the latter group were more numerous.

The air carrier AWA in Accra, Ghana, has adopted local management strategies in its commercial activities in the country and West Africa, such as the decision to connect major cities across the region’s Anglophone and Francophone parts to benefit from and adapt to regional integration dynamics. In fact, in 2020, the airline launched six weekly flights from its main hub (Accra) to Côte d’Ivoire’s largest city, Abidjan.

These joint ventures have also leveraged local resources, including by receiving local loans from West African financial institutions in all three countries. For instance, AWA’s and Lekki’s funding partly came through local financial mechanisms that involved the aforementioned CAD Fund. In fact, the $10 billion fund, although it is controlled by China, has an operational base in Accra for West Africa and finances Chinese ventures across the region.

These are just a few examples of how Chinese companies are tempering some control to better adapt to their local operating environments in West Africa. Yet even beyond these three countries, such adjustments are spreading to other regions of Africa too, where similar patterns of adaptation are increasingly evident. For instance, in addition to its joint venture in Niger, CNPC has another similar joint venture in N’Djamena, Chad, which features a refinery and employs a significant number of Chadians. Based on the author’s fieldwork interviews with the joint ventures’ employees in Niger and Chad, the two African partners in these two countries, respectively, indicated that they consult regularly and share their mutual experiences with Chinese counterparts while searching for ways to make their Chinese counterparts’ managerial practices more locally influenced, although this sometimes led to conflicts.
This conclusion can also be extrapolated to other African countries that host economic zones operated through partnerships with Chinese organizations, especially ones that function much like the zone in Nigeria does. Indeed, East African countries like Djibouti, Ethiopia, and Kenya now have similar experiences with a Chinese commercial presence and adaptation involving the embrace of local practices and managerial philosophies.46

Joint Ventures, Knowledge Transfers, and African Agency

Joint ventures and joint projects are, ultimately, enabling African partners to make Chinese companies do more for and with Africans, while also increasing the continent’s agency vis-à-vis China.47 One prominent example is knowledge and technology transfers, which are often required as a condition of establishing joint ventures and can therefore have very tangible upskilling and industrial upgrading benefits for many local partners and local economies.48 Although views differ on just how much knowledge and technology Chinese entities are transferring to Africans under these arrangements,49 there is less doubt that such transfers are happening through these business partnerships. For instance, as joint ventures in Niger and Chad have benefited from some technology transfers by Chinese counterparts,50 these two African countries have become net exporters of refined oil,51 thus creating and capturing locally more value-added economic activity with their raw materials. Similarly, in Ghana, AWA is benefiting from its Chinese partner’s airline business expertise, making it a major player in Ghana’s air transportation industry after the HNA Group invested $30 million52 and shared its managerial experience in safety, integration of cultural practices and management philosophies, and branding.

Adapting Culturally Through Language Training

For knowledge and technology transfers to be effective, both parties need to speak the same language, and sometimes communication challenges can pose a barrier between African and Chinese partners.53 Businesses that are not adaptive enough tend to operate in a bubble, but adaptive businesses (especially joint ventures) embedded into local communities invariably must communicate locally.

Joint ventures and other Chinese businesses in Africa increasingly feature local language training programs that help their Chinese personnel engage more effectively with West Africans. Increasingly, Chinese organizations are enrolling their expatriate Chinese personnel in indigenous language training programs, including courses in popular local West African languages such as Hausa, Igbo, and Yoruba.54 In addition, Chinese expatriates are increasingly developing and using English and French language skills in Anglophone55 and Francophone56 African countries, respectively. It is
becoming more common to find Chinese employees in Africa who can speak African indigenous languages and other languages (like French and English) used for conducting business in Africa. Some of these Chinese businesspeople learned these languages in Chinese universities before moving abroad while others learned them after living for some time in Africa or through international exchange programs for students.

These trends illustrate some Chinese adaptation since Mandarin is not the predominant language of business in West Africa, and Mandarin-only speakers cannot operate effectively in commercial and financial contexts there. In the early years, Chinese businesses in West Africa rarely employed expatriates well-versed in local languages, and these businesses were very reluctant to embrace local cultures. This is changing as is evident from a short interview in Igbo between a Nigerian and a Chinese businessman and a documentary about Chinese students learning Hausa, in which each student has even carefully adopted an African nickname.

Chinese Social Media Influencers Engaging With Africa

A growing number of Chinese expatriates are leveraging these newfound local language capabilities to create social media campaigns on Facebook, TikTok, and Instagram. Some of these content creators are also engaging with West African languages, extending that Chinese presence in Ghana, Niger, and Nigeria. In fact, there are now popular digital accounts run by Chinese influencers in Hausa in countries like Nigeria. These accounts are often created to promote Chinese culture to Africans in their local languages. Some of these Chinese accounts and their digital content have thousands of followers and millions of views, especially on platforms like YouTube, drawing the attention of many active African followers and viewers.

However, such Chinese social media accounts are not necessarily only about local values and traditions. They tend to promote Chinese traditions and values toward Africans as well. Still, the use of local languages for this content does indicate Chinese online content creators’ acknowledgement and adoption of local cultural practices as these influencers also use and promote African languages, fashion, food, movies, and traditional celebrations. Some of these accounts include profiles like Kande Gao (Kande is a traditional Hausa name in Nigeria and Niger) who is Chinese, with more than 1 million followers on her public Facebook page as of October 2022; she has somewhat adapted to Nigerian (Hausa) traditions and cultural practices while promoting these topics to her fellow Chinese citizens. Another Chinese influencer using a local African language to promote African and Chinese cultural traditions in Africa is Murtala Zhang (Murtala is also a traditional Hausa name in Nigeria and Niger), who is a Chinese journalist broadcasting popular multimedia content in Hausa; he has more than 700,000 followers on his public Facebook page as of October 2022.
Video, text posts, photos, and other digital content published on these Chinese influencers’ social media pages demonstrate increasing adaptations of Chinese digital profiles to the Hausa language in Nigeria, although this development, in one sense, reflects Chinese cultural internationalization (spreading Chinese culture and values) rather than cultural adaptation (embracing most African culture and values). Interestingly, some of these Chinese influencers and digital media are based in Nigeria, but some are now in China yet are still publishing their content in African languages like Hausa while planning to also publish in Yoruba and Igbo. In this way, Chinese in, or focused on, West Africa are virtually acknowledging the African contexts where Chinese entities operate by sharing content that reflects West Africa’s own linguistic diversity and local traditions.

Meanwhile, Chinese state-run media and universities are putting the infrastructure in place to support this local engagement. The state-affiliated television channel, China Global Television Network (CGTN) Africa, has channels across the continent broadcasting programs in French in Francophone Africa, in English in Anglophone Africa, in Arabic in North Africa, and increasingly in more indigenous African languages for short documentaries. Other major Chinese media platforms operating in local languages in Africa include channels like China Radio International, and top Chinese universities such as Peking University have introduced new language programs for Chinese students and potential expatriate managers and diplomats for studying West African languages, literature, and culture. One example is the recently established Department of African and Asian Literatures and Cultures at Peking University, which now offers West African language courses like Hausa and soon will be expanding its offerings to include other languages like Yoruba, with teaching materials all developed and housed in Beijing.

Extending on the theme of such adaptation in the Chinese media and education sectors, universities in China such as Beijing Foreign Studies University and the Communication University of China now also offer a variety of West African language courses to Chinese students interested in temporary international professional assignments or long-term careers in these countries. In fact, Beijing Foreign Studies University, through its School of African Studies, is the first Chinese university to offer courses in the Kinyarwanda language. Many of these language program graduates from China get opportunities to work as broadcasters, translators, interpreters, and diplomats for the Chinese government or state media corporations like China Radio International (in Hausa) or CGTN. The professors teaching these courses in African languages and literature at universities include both Chinese and African experts, including several from Nigeria where some of the most popular West African languages like Hausa, Igbo, and Yoruba are spoken, although neighboring countries like Benin, Cameroon, Niger, and Ghana also have people who speak these languages. Indeed, Beijing Foreign Studies University now offers language training programs to Chinese students in more or less
all the main national languages of the African countries where China has a diplomatic presence, including in Afrikaans, Amharic, Comorian, Chewa, Hausa, Kinyarwanda, Kirundi, Ndebele, Sango, Sesotho, Shona, Somali, Swahili, Tamazight, Tigrinya, Tswana, and Yoruba.71

This pattern of growing linguistic adaptation to local contexts across different parts of Africa obviously supports business adaptation in joint ventures too. By assimilating local practices through partnerships between local players and Chinese actors who communicate in local languages, Chinese expatriates, including employees of Chinese corporate and government entities, are incentivized and trained to somewhat embrace African traditions and adapt to indigenous cultures.

Embracing West African Managerial Philosophies

This growing prominence of joint ventures is especially relevant for the Chinese managerial class in West Africa. After all, Chinese joint venture partners invariably need to incorporate their African partners’ input in setting up and managing new business operations while locally assimilating select African practices and values. Beyond the use of common local languages, it is notable that Chinese managers are increasingly considering traditional African philosophies like ubuntu in their management styles in West Africa. From a business perspective, ubuntu could be defined as an interdependence-minded managerial philosophy or approach that is based on African traditions and that considers the common social good first rather than merely profit or rather than managing a company simply as a collection of independent individuals.73 This conciliating approach therefore leverages a concept that shares similarities with Chinese traditional philosophies such as the principles of guanxi or relationship management.74

These managerial adaptations involve adjustments in Chinese managerial styles. For example, a few years ago during the author’s interviews with some West African employees of joint ventures with Chinese partners, it was noted that local staff could take time off to attend church services, prayer times at the mosque, or local celebrations even during work hours.75 This is not necessarily a Chinese practice, and it reflects a clear compromise as Chinese managers adjust operation schedules to offer flexible shifts to African employees who demand respect for spiritual and cultural practices and traditions. Moreover, Chinese expatriates often accept invitations to African celebrations and local festivals,76 as a way of showing consideration for local sensibilities and expectations.

Meanwhile, Chinese ventures are establishing local networks of what could be described as China-Africa social clubs to increase mutual awareness and understanding between Chinese and African partners of their respective cultures and ways of doing business and managing businesses. Some Chinese companies are hiring African managers in the hope that they will help the firms perform
better than if only Chinese managers run business operations. While there is still progress to be made, a 2017 McKinsey report stated that 44 percent of managers in Chinese-owned companies in Africa are locals. The report also found that there are Chinese firms with a track record of hiring more than 80 percent locals for managerial posts. Chinese entities are increasingly hiring more experienced returnees, too, locals who bridge African and Chinese management styles, having studied or worked in China and who possess the requisite intercultural skills to excel in complex multicultural managerial settings in Africa.

One case in point from West Africa is the Ghana-China airliner joint venture AWA, which has its principal hub at Kotoka International Airport in Accra. Even the firm’s management structure (organizational chart) reflects a co-management philosophy. Early on, the joint venture’s board and investors made a conscious decision to duplicate each managerial position in the joint venture so that it is run concomitantly by African and Chinese managers who share decisionmaking power. During the author’s initial fieldwork research in Ghana in 2014, this company had twin managers in almost every department, with each position having one local and one Chinese co-director or co-deputy director. More recently, the company has changed its managerial structure, but the senior management team remains entirely Ghanaian, with locals occupying all department head positions while the top executive team includes a Ghanaian as co-chairman of the board and another as chief operations officer. This indigenized management model seems to work well for both corporate partners as AWA has been recently ranked the top international carrier in Nigeria and the largest airline in Ghana, prompting it to run successful operations, including in neighboring countries in recent years.

Similar insights emerge from the case of SORAZ, the refinery in Niger. One way the Chinese partners were required to adapt to the local Nigerien context was by making it mandatory for the Chinese partner to enlist more local workers, hire more local managers, and engage with more local suppliers and contractors. At one point, this even prompted a political dispute between Niger’s Ministry of Petroleum, Energy, and Renewable Energy and the top Chinese decisionmakers in the joint venture who wanted to continue prioritizing mostly Chinese labor, suppliers, and contractors. A recent letter sent by Niger’s minister of petroleum, energy, and renewable energy to the leadership of SORAZ stated that “each foreign employee must have a Nigerien replacement who will be trained and will benefit from a progression plan intended to enable him to replace the foreigner on a fixed deadline.” SORAZ demonstrates that, although Chinese investors and managers do not always voluntarily embrace local expectations, local government officials with bargaining power can compel this by law, regulation, administrative fiat, or negotiation. This type of mandatory adaptation, as seen with the Nigerien requirements at SORAZ, has been described by some people in Niger and even international analysts as a win for the country’s management since more local employees invariably pushed for their preferred indigenous norms.
In Nigeria, too, the joint venture LFZDC also made managerial adaptations as a by-product of its corporate structure. The Chinese partner accepted the appointment of Nigerians to key managerial positions, such as the posts of deputy managing director and administrative controller. This is consistent with broader research on joint ventures, which indicates that there are some management functions where experienced local staff can make a significant difference in running operations more smoothly than expatriates can. Since LFZDC is based in the commercial hub of Lagos and has a significant proportion of Nigerian staff, it became apparent that competent Nigerian supervisors who understand their local employees and culture would be needed to more effectively motivate workers.

The author’s field interviews with LFZDC’s local team a few years ago showed that qualified Nigerian managers worked more smoothly with Nigerian employees precisely because they understood local cultural nuances and traditions in the country better than their Chinese counterparts. This localization of management at the joint venture has been enhanced by the diversity of Nigeria’s own ethnic and cultural makeup, with the firm employing locals from diverse regions and cultures throughout Nigeria. Localized management posts at LFZDC helped meet the growing demands for local adaptation by Nigeria’s federal, state, and even local governments. These moves also arguably helped improve the overall performance of the joint venture, making it Africa’s fastest emerging free zone, having already attracted more than $15 billion in investments. Although the policy of special economic zones in Nigeria has so far brought limited tangible results compared to what their advocates initially expected, this development has somewhat promoted the localization of management posts and managerial culture.

**Learning From West African Joint Ventures**

As China’s commercial presence in West Africa grows and the need for adaptation to the region’s business environments and cultural traditions increases, there are areas for taking action to help foster a stronger, more beneficial relationship between China and its West African partners.

Chinese players need to avoid one-size-fits-all approaches in West Africa. While the three West African countries covered in this analysis have many similarities, they have very different systems of government, with federal, presidential, and semi-presidential systems in Nigeria, Ghana, and Niger, respectively. This should necessitate a more customized or regionalized Chinese approach, which can in turn be mirrored in China’s engagement with other regions of Africa. Moreover, Niger and Ghana are diverse but less so than Nigeria, which has more local languages and ethnic groups than its neighbors and requires even greater Chinese sensitivity to local contexts. In fact, a study about the most ethnically diverse countries found that the world’s twenty most diverse nations are all in Africa.
This means cultural contrasts exist all over Africa and need to be considered by Chinese investors and other actors as they assess how local dynamics can be respected, taken into account, and even integrated into their operations. African nations also have major opportunities to shape such openings for cooperation.

As Chinese businesses continue to expand across Africa from an already high baseline, it is important to learn from how different business structures lead to different outcomes. Joint ventures in West Africa have somewhat promoted localization, regionally tailored managerial culture, more local hires, greater synergy between employees and management, and heightened Chinese sensitivity to the needs and expectations of their local partners. Others across Africa arguably should look to West Africa for insightful examples: more joint ventures in more places and more sectors across the African continent would likely promote adaptive Africa-China business relationships, more efficient employment relations, and (in many cases) better win-win commercial outcomes.

Although Chinese businesses continue to do certain things in their own distinctive ways in West Africa, many of them have started to and continue to adapt to the contexts of Ghana, Niger, and Nigeria, especially through joint ventures. Of course, for many Africans who work for or with Chinese businesses in Africa, Mandarin language skills continue to be necessary for communicating with Chinese expatriates, many of whom still do not speak local African languages despite the many training programs and improvements described above. It is also true that many Chinese companies continue to use wholly owned subsidiaries as the principal entry mechanism for their investments in Africa. But Africans can mitigate these limitations by pushing for joint ventures and leveraging negotiations or, as in the case of Niger, localization mandates to promote greater adaptation by businesses.

The three main dimensions of Chinese adaptation in West Africa (joint ventures, associated language training, and associated management philosophies) help showcase how Africans can advance their commercial relationships with China based not just on mutual interests but on the impulse to localize and help foster a more sustainable, inclusive, and embedded economic cooperation model for Africa.

Clearly, all governments throughout Africa should aim to incentivize Chinese businesses to do more joint venture investing. Some specific steps to take include government tax incentives during the first years of new joint ventures, subsidies for local cultural training and adaptation efforts, sponsored corporate intercultural workshops, bilateral investment regulations around joint ventures, and funding programs specifically for joint ventures. Promoting Chinese adaptation to African contexts can help African countries to better balance their relationships with China by blending relevant
Chinese knowledge and technologies with African companies well-versed in local work styles and business practices. West Africa has already shown that the right incentives and negotiations can lead Chinese players to lean more into African norms, values, cultural practices, and traditions in their local operations. National policies to promote joint ventures across Africa, not just in the three West African countries studied here, can further boost Africa-China win-win cooperation while enabling Chinese investors to mitigate their investment risks by mobilizing more local expertise in business operations across the continent.

It is also important to encourage Chinese people and firms to embrace local African languages. As more Chinese business leaders and workers learn more African languages, there will be more opportunities for Africans to speak their own native languages while working for Chinese organizations. This is increasingly vital as many African cultures and languages are now under threat of disappearing, even as foreign languages, such as English and French, are becoming more dominant in many African countries. While Africans should also be incentivized to learn Mandarin, encouraging more Chinese expatriates in Africa to learn and speak African languages could pave the way toward a better understanding between Africans and their Chinese colleagues and business partners. From China’s perspective, placing more emphasis on language skills and cultural sensitivity could also help somewhat address criticisms of neocolonial practices prompted by Beijing’s increasingly prominent economic and cultural global role.

For their part, Chinese firms should promote African managerial philosophies in local operations. Managing a company in Africa is significantly different than doing so in China, and local contexts matter greatly on the continent for the success of international business operations. This makes managerial adaptation by Chinese companies essential. In Nigeria, for instance, Chinese managers need to acknowledge the less collectivist nature of local employees’ mindset and customize their management approach to human resources accordingly. Given the diverse range of African cultures, there are numerous African indigenous management styles and entrepreneurial mindsets to choose from. For instance, Senegal’s teranga philosophy, often translated as generosity and reciprocal hospitality, and Kenya’s bulala philosophy, often translated as togetherness, could potentially nurture even more Chinese managerial adaptation in Africa. Managerial adaptation should never be a one-way street: China, too, can learn from regional practices while supporting local communities’ development.

Finally, Chinese businesses in Africa have opportunities not just to adapt successfully to local contexts but also to contribute to local social development. They can learn from African traditions of economically empowering one another. An example is the Igbo tradition of apprenticeship, which many entrepreneurs and scholars consider an effective, sustainable way to promote social entrepreneurship and create more prosperity in local communities. What sets this type of
apprenticeship apart is that it is based on a tradition of honor and public commitment to one’s community to share prosperity and make mentees succeed, including by giving them part of one’s wealth or customer base even if they are not legally entitled to it. In fact, the Igbo apprenticeship system has successfully produced some of Africa’s top businesspeople in the automobile industry and the oil and gas sector, especially in Nigeria. Chinese companies in Africa can learn to embrace and support such indigenous business approaches, local traditions, and social entrepreneurship practices for the common good of Africa-China cooperation.

About the Author

Abdoulkadre Ado is an associate professor of international business and global management at University of Ottawa’s Telfer School of Management. He specializes in international joint ventures and cooperation with countries in the Global South. His current research looks at corporate partnerships in emerging countries, particularly Sino-African business relations.
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