

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

Guive Khan-Mohammad, PhD

Senior SNSF Researcher, Global Studies Institute, University of Geneva  
Visiting Scholar, Centre of African Studies, University of Edinburgh

Past, Present and Future of African-Asian Relations :  
University of Neuchâtel, 25-27 April 2019



# Chinese Goods in Burkina Faso



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

## **Under-researched topic**

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

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



# China in Africa : « The Grand Strategy »

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

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

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



# Beyond the State-centric Approach

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

## Epistemological turning point

Chinese strategy in Africa to Chinese strategies in Africa.

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

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



# Chinese Goods and Chinese Cooperation in Burkina Faso

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

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

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

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

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

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

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

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

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



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

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

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

→ **Closure of the Faso Yaar**

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



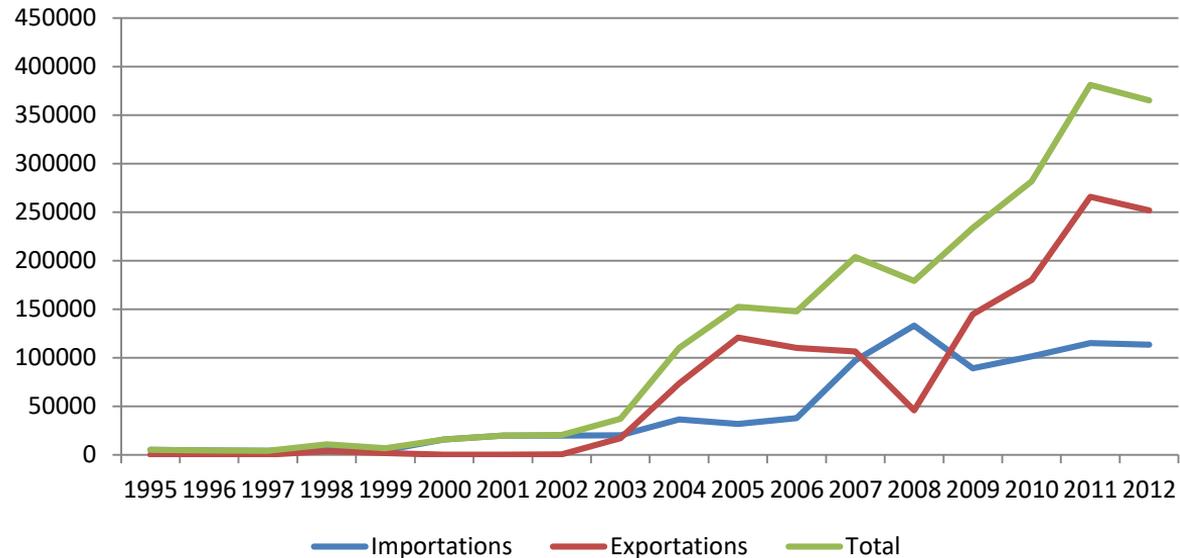
# The Proliferation of the Chinese Goods Imports in Burkina Faso (1994-2018)

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

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

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

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



# The CFA Franc devaluation (1994-2003)

## Negative effects on entrepreneurship

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



**Engaging in self-employment** to continue living in acceptable conditions

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

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

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

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

## **Multiplication of traders involved in Burkinaabe-Chinese trade**

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

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

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

# Conclusion

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

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

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

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

# Thank you!

[Guive.Khan@unige.ch](mailto:Guive.Khan@unige.ch)

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