Networks, Spheres of Influence and the Mediation of Opportunity: The Case of West African Trade Agents in China

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Abstract

Drawing on theories of networked socio-economic life in West Africa, we advance that the types of Ghanaian and Senegalese communities’ social organization in Yiwu, Guangzhou and Hong Kong have important effects on their members’ entrepreneurial success and upward social mobility. We argue that as an expression of “vernacular cosmopolitanism” (Appiah 1998, Diouf 2000), the circulation of capitals, for example between established entrepreneurs and newcomers, is controlled by distinct yet mutually integrated networks. While “networks of accumulation” (Meagher 2006, 2010) give preferential treatment to kin- and community-mediated relations, “networks of survival” lack such strong expressions of solidarity. Here, structural factors external to communal life may allow a newcomer to advance in the career and eventually penetrate into a “network of accumulation”, in which insights and experiences but also functional contacts with the Chinese business and bureaucratic channels are concentrated. In their capacity to mobilize the spheres of influence they reach into - be it for members of their network or sporadically also the compatriot in urgent need - “networks of accumulation” of Ghanaian and Senegalese agents in China overlap decisively with the process of community formation.

Introduction

West African communities in China are constituted of diverse actors including students, diplomats, artist and, of course, entrepreneurs in various business areas. The scope of this paper is on those residents who render trade-related services to their predominantly West African clients who come to China for sourcing goods, materials and machines for their businesses back home. Despite this focus on a particular group of economic actors, we advance in this paper that classifications of African residents in China that are solely based on their economic activities conceal the internal differentiation of this highly heterogeneous group.¹ By comparing Ghanaian and Senegalese agents in the cities of Yiwu, Guangzhou and Hong Kong, we realized that the emic significations of social positioning, especially within the national communities, and legal status in the Chinese administrative apparatus is just as important as the structural determinants of our informants’ businesses (Marfaing and Thiel, 2014). In the present article, we look at the effects of these differentiations on solidarity and withdrawal within the Ghanaian and Senegalese communities in China. In particular, we are interested in how transposed local structures are maintained in China, allowing agents to retain normative reference points, while at the same time opening up to bridge into Chinese society. How do these structures – which to varying degrees and capacities enable Ghanaian and Senegalese trade agents in China to mobilize their social and economic networks in order to realize their aspirations – foster agents’ economic success, forms of co-operation, and ultimately, community formation in China?

We advance that the analysis of networks is key to answer these questions. Following Granovetter (1973), we argue that the interaction between social and economic life is fundamental to the understanding of African resident entrepreneurs’ economic engagement in China. Two forms of embeddedness structure their economic interactions: personal relationships influence actions as a consequence of “relational embeddedness”, while “structural embeddedness” refers to the influence of the larger network to which the actor belongs (Granovetter 1985; 2000). Drawing from her study of Nigerian professional networks, Kate Meagher (2006, 2010) elaborates on this definition of economic networks in West Africa by differentiating between “networks of accumulation”, in which resources circulate between more advantaged members, and the “narrower, more poorly resourced personal networks” “of survival” (ibid.: 569, 571).²

As we will illustrate in the sections presenting our empirical material, we here define networks of survival as composed of resource-poor newcomers to China. Lacking the necessary infrastructures and networks of clients as well as Chinese contacts to provide the full array of export related services, the members of these networks usually operate as coaxes. Connectivity and assistance among them is limited and resources flow, if at all, vertically, linking them to the communities’ networks of accumulation that extend their assistance in cases of emergency – making sure to stress the charitable character of these transactions and thereby maintaining distinct power relations.

Ghanaian and Senegalese networks of accumulation in China, in contrast, are made up of agents who possess considerable capital – be it in the form of financial means, market knowledge, client pools, and probably most importantly, insights and connections into the workings of the Chinese bureaucracy. Able to navigate the system to their advantage, much more than actors in the “networks of survival” at least, these typically full agents (providing all export related services in house) maintain exclusive boundaries within which these capitals circulate for members’ mutual advantage, for example in the form of assistance with one of the network’s newcomers’ immigration documentation or the pooling of business information.

Interactions between the two types of networks are characterized by “weak” ties, whereas “strong” ties refer to the relatively exclusive cooperation within a network (Granovetter 1985). Following on from Granovetter’s argument that weak ties provide important links between networks and therefore enable innovation and expansion, not least helping to correct imperfections in transnational business (Broadman, 2007:22), we argue here that Meagher’s classification of networks should not be seen as too static or exclusive. Instead of uncritically adopting the predominant perception of the parallel co-existence of the two kinds of networks, our field data reveal how these network types are consecutive, and with time may flow into each other.

In the following sections, we analyze our ethnographic data collected in three Chinese locations during six weeks of fieldwork in June and July 2013. We are basing our analysis on additional data from repeated fieldtrips to Ghana and Senegal that have been conducted in the period of 2011 to 2014. We start by presenting our methods and field sites, before differentiating the activities and social positions of Ghanaian and Senegalese trade agents in China in terms of their adherence to networks of survival and accumulation. We move on to illustrate the social and economic entanglements of these actors’ international business networks and the process of community formation in China. Finally, we trace the links of these networks into Chinese spheres of influence in both economy and administration.

Materials: Methods and Field Sites

Conducting fieldwork with African communities in China comes with a number of particularities. African communities, especially in Guangzhou, are concentrated in distinct areas. The number of studies carried out on these areas has seen the field extensively researched over the years and many potential informants are taken aback by the ongoing academic interest. Another problem arises from the ambiguous legal status of many African residents in China and the added exposure when talking to other non-African foreigners. We addressed this by following up on the contacts of our informants from Ghana and Senegal, on the one hand, and approaching representatives of the national African communities in China itself, on the other hand and thereby were able to recruit a total of 76 informants. This strategy allowed us to move from node to node upon recommendation and eventually to negotiate access to the higher echelons of the Ghanaian and Senegalese business networks.
Likewise, following network connections led us smoothly from Yiwu to Guangzhou and eventually to Hong Kong as most informants’ businesses operated branches in more than one location. Furthermore, this “snowballing” technique not only helped us to get more comprehensive insights into individual enterprises by following up on the employees, partners, colleagues and acquaintances of each informant, but also revealed additional information about the Ghanaian and Senegalese communities’ composition and relations of power, seniority but also solidarity. This gave us insights into the networked social organization of Ghanaian and Senegalese business life in China that we argue is fundamental to the process of community formation and maintenance in this place.

Hong Kong is the oldest among the Chinese sourcing destinations for our informants (Bertoncello and Bredeloup, 2007), having replaced earlier locations like Dubai or Bangkok in the 1990s (Darkwah, 2007; Lavergne, 2002). Still, this former British colony provided us with the smallest corpus of interviews as many entrepreneurs have since returned home or have left for more lucrative locations on the Chinese mainland – especially Yiwu and Guangzhou – only keeping their business addresses in Hong Kong to process financial transactions or receive the occasional African visitor who needs a visa for a neighboring Asian country. For the Ghanaian sample, the city’s comparative advantage vis-à-vis mainland China has dwindled since the introduction of visas. As one trader pointed out, his business went from consisting of 99 percent wholesale to 99 percent retail (interview AT n°31 on 13.7.2013 in Hong Kong) among those 1000 or so Africans still residing in Hong Kong (interview with the president of the African community in Hong Kong, LM n° 42 on 13.7.2013 in Hong Kong). In this light, only one Ghanaian and no Senegalese shipping agent could still be recruited for our interviews. This is in line with Le Bail (2009) who counted only about 10 African agencies remaining in Hong Kong.

Guangzhou is a modern city of about 8.2 million inhabitants – though the agglomeration of cities in the Pearl River Delta and the increasing trend of urbanization in the Guangdong produce an estimate as high as 14 million. While the city has been receiving foreign business for centuries, the Canton Fair in particular has been attracting foreign entrepreneurs since 1957. The traders in our sample, especially those from Senegal, started to frequent the exhibition around the late 1970s. Guangzhou is also the city where the presence of Africans has been most thoroughly studied. Bodomo (2010) states that very few Africans resided in Guangzhou at the end of 2010, compared to those Africans travelling to the city as entrepreneurs. In a context where official numbers are unavailable, the estimates of the number of Africans living in Guangzhou – tacitly separated into the francophone quarter Xiaobei and the anglophone quarter Sanyuanli – vary greatly between 1,000 of the 15,000 foreign residents in 2007 (Bertoncello, Bredeloup and Pliez, 2009; Le Bail, 2009) to 20,000 documented African migrants alone (Haugen, 2012) – some non-academic sources even quote numbers as high as 100,000.
Initially, African migrants consisted mainly of Nigerians and Malians, though Ghanaians and Senegalese quickly followed (Martinez, 2008; Le Bail, 2009; Bodomo, 2010). The relevance of this group is acknowledged by the fact that Guangzhou constitutes the headquarters of the Ghanaian association in China, which encourages all Ghanaians staying in China for more than a few weeks to register with them.

The influx of African traders into Guangzhou peaked around 2007 to 2008 – possibly due to adverse effects of the world financial crisis on transnational trade but definitely due to the rise of alternative sourcing destinations in countries like Turkey, Vietnam or Brazil. Since then, our informants claim, living conditions and visa regulations have also become more restrictive exacerbating both the economic and social conditions of their stay in China. In fact, while the legal regulations for residence permits have changed very little during recent years, our informants have experienced a withering of bureaucrats’ goodwill. At the same time, commercial competition with Chinese agents continues to grow steadily.

Yiwu, the youngest sourcing destination for our African informants, is a city of 2 million inhabitants in China’s Zhejiang province. The early 1980s’ government program to establish the local production of light commodities in this province saw Yiwu launch the “Developing the city through commerce” campaign. In 1982, Yiwu’s municipal government set up the Chouchengzhen Small Commodity Market (Liu Liqin, 2007:2). Then, in 1995 the Yiwu Small Commodity Exhibition began (Luo Xiaojun, 2005:65). By 2002, five generations of markets had been built in Yiwu, the newest addition to the earlier generations being the Yiwu International Commercial Market. The opening of this megamall supplemented the city’s older market complexes with a retail area of 7,000m², spanning five four-storey pavilions where each section specializes in a particular product. In the mall’s tens of thousands of shops, producers display samples of their product range to the 170,000 visitors, among them 2,000 foreign visitors, every day. Despite these dimensions, given the ease of navigating in Yiwu, the resident African population in Yiwu is small. In contrast to Guangzhou, there is no real African quarter or tightly-knit community. Those who have settled in Yiwu are not concentrated in a particular area, though larger numbers can be found in the modern buildings close to the trade center and in the vicinity of the Muslim quarter of Meidah. Nonetheless, both francophone and anglophone African agents in Yiwu participate in a common business association, meeting more or less regularly to protect their interests in the market against Chinese competition (interview LM n°14 on 16. and 17. 6.2013 in Yiwu).

Africans in China: A Heterogeneous Group

Regardless of their level of consolidation in China, the main role of agents is to serve as a link between African traders and Chinese producers – typically in the form of dealing with showroom staff and other factory representatives, but also in direct contact with the factories. However, agents differ in their capacity to provide these services. In the course of their careers, they move through a number of social and economic positions in the business and the community.
This observation makes Meagher’s differentiation between networks of survival and accumulation useful for our purposes given that agents’ ability to integrate into and benefit from networks of accumulation, or their exclusion from these, defines their career trajectories in China to a large extent.

**Networks of Survival**

Many of our informants arrive in China with virtually no contacts. Instead they hold various misconceptions about the country’s living and working conditions. Given this, they encounter severe difficulties in realizing the entrepreneurial plans that they had projected to China. Yet, especially those who arrived in the heydays of the Africa-China trade prior to the peak years of 2007/2008 managed to transition from their initial objectives to start a trade business into providing trade-related services instead. Finding themselves in a situation with few legal and economic options besides offering their services as guides, these typically young men start to linger in the lounges of hotels popular among their compatriots and in the areas known for trade with Africans (e.g., Xiaobei or Sanyuanli in Guangzhou). As independent guides, called *coaxers*, they also use their connections in Ghana or Senegal to recruit clients. Sometimes, in cooperation with a travel or clearing agent back home, they receive newcomers in the Chinese market and thereby hope to build their client base. These coaxers provide services such as accompanying clients to markets, identifying suitable suppliers, translating in business deals and negotiating prices. Without their own warehouses or contacts to the shipping companies, however, they either limit their services to these areas, or at some point, build relationships with more established agents in order to make use of the latter’s infrastructures with regard to warehousing and loading goods for export. As they predominantly attract small-scale importers who do not possess the means to fill complete containers these coaxers regularly need to cooperate with other agents in order to make grouped shipments viable. Finally, economic activities are not limited to the procurement of goods but coaxers also incur profits from providing a series of other services. These range from renting out private accommodation to selected customers, to catering, laundry and/or hairdressing.

Many coaxers depend on study visas to remain in China legally. While some are genuinely pursuing a degree at a Chinese institution, a large number have simply enrolled in a Chinese language school to secure their immigration documents. The remaining coaxers normally only have temporary business visas, which expire after one month. In order to renew their visas, they have to leave China and reapply. Typically they do this in Macao due to its proximity to the city of Guangzhou and its practice to process visas upon arrival. Others incur considerable costs to have their visas arranged by agents in Chinese provinces less affected by foreign immigration. However, these temporary solutions do not permit the visa holder to work in China.

With their semi-legal status and the average pay of 300 RMB per day for an independent guide, coaxers quickly come to depend on assistance from their compatriots. However, despite these difficulties, the community associations do not support newcomers’ presence in China beyond the dissemination of knowledge about legal regulations and procedures. Carefully managing their reputation with Chinese authorities and future clients, the organized communities prefer to use association members’ monthly fees to send a “stranded” compatriot home, paying for the airfare and the penalty for overstaying his or her visa. Similarly, religious associations like the dahiras limit their support of newcomers.

“There is mutual assistance and we do not drop anyone, but we are here to work. [...] They can sleep at the dahira for a maximum of 6 or 10 months, get food sometimes, but it is not self-evident to find a way in this country, there is only business and no jobs for foreigners; and if you do not know anyone here there is no more work in the business either” (interview LM n°24 on 23.6.2013 in Guangzhou).

Networks of Accumulation

In contrast to this narrow notion of solidarity at play within networks of survival, networks of accumulation showcase much closer cooperation. These networks are constituted predominantly of full agents who are autonomous entrepreneurs, not only in the sense that they do not depend on others for the allocation of clients, but also in that they provide all export-related services “in house”. Other than their counterparts in the networks of survival, these agents thus provide a wider array of services to their clients who not least often move larger volumes of goods than those clients received by coaxers. For example, they have established trust relationships that allow clients to hire agents for procuring goods on their behalf. With their clients’ larger capital volumes and their direct interaction with producers, they also need to frequently verify production sites’ capacities and professional standards. Full agents further rent their own warehouses, and in some cases, temporarily stock small amounts of goods in their modern offices. After gathering and checking the various goods, the vast majority of African agents contact a Chinese shipping agent to order a container (few also have their own quotas with the shipping companies), processes the export documentation and dispatches the goods to Africa. If their capital base permits, agents secure their clients’ loans with Chinese factories who usually agree to deliver up to twice as many goods as paid for if the unpaid portion is guaranteed. Eventually, established agents provide professional services in the realm of market research and consulting across the entire African and Asian sub-regions.

Many of these established agents came with experiences in international trade. Having followed the sequence of their compatriots’ popular sourcing destinations over the last two to three decades, their previous destinations included Europe, the United States, Dubai and other Asian destinations like Bangkok and Hong Kong, before they established branches of their businesses in mainland China.
In contrast to these truly international businessmen and women, others arrived as coaxers and were lucky enough to come to China at the high point of the China-Africa trade – usually between 2002 and 2005. During these days of the China trade, many of the newcomers were “adopted” and trained by experienced entrepreneurs who taught them the rules of the freight forwarding business and in return reduced their own workload. Today, this new “generation” of established agents has different motivations to help newcomers gain an economic and social foothold in China (Müller, 2011; Bredeloup, 2012) and frame their strategy to train newcomers in the lucrative business of freight forwarding in terms of solidarity. As one Senegalese agent put it, “I employ two Senegalese full-time and some youth just along the line. I am doing it out of solidarity, because I was also taught by someone; but their chance lasts only six months” (interview LM n°21 on 21.6.2013 in Guangzhou).

In other cases, supporting a newcomer in difficulty is seen as a way to train a suitable assistant or even successor. In all its forms, this activity is a function of the reproduction of the network of accumulation in that such arrangements are always mediated by established relationships and work to reaffirm the network’s codes of sociability (Elias, 1987), in particular, the moral obligation to help others to advance in life.

More importantly than the passing on of skills and training, actors in these networks of accumulation organize the circulation of diverse capitals that range from assistance in monetary terms to the sharing of key business information (locations, prices and styles) within exclusive groups. These collaborations function to their mutual benefit. In a similar vein, full agents claim to possess particular “influence” in China by maintaining strategic contacts with the local administration. These contacts are mobilized to help family and friends to acquire residence permits or to mediate in the case of difficulties with the authorities. One informant illustrated this by explaining how he himself submits the visa applications of those close to him, thereby greatly facilitating the application process. Another pointed out how - as representatives of the nationality-based community – the “network of accumulation” needs to maintain good relations with the immigration officials in order to negotiate offenders’ release and ultimately repatriation.

In the subsequent sections, we expand on this argument that full agent’ roles and positions as established business men and women and as elders of the nationality-based communities in China overlap to a great extent, thereby playing a fundamental role in the formation of these communities. By presenting two Ghanaian and Senegalese case studies of the social organization of activities and the transfers of capital within networks of accumulation, we analyze in greater detail how these networks reach into spheres of life that extent well beyond – though they are never entirely dissociated from – business. Drawing on the concept of “vernacular cosmopolitanism”, we show how networked forms and ideas of ordering communal life are transposed from Ghana and Senegal into China, with the effect of reproducing certain degrees of exclusion towards the inside while opening up towards external, Chinese environments.
West African Accumulation Networks in China: Socio-Economic Practices and Communal Life

In general, the Senegalese enterprises in our sample are in the hands of small groups of relatives in their 40s and 50s. The branches of their typically family enterprises in our three field sites represent a true generational shift. In contrast to the companies’ elder generations of traders who possess substantial international business and migration experience in diverse locations across West Africa, Europe and the USA, but have learned their trade in the market rather than in formal business schools, these men in their best age possess university degrees from reputable international universities. Following their business establishment in Dubai, they today operate not only in China but have set up branches in several other Asian countries like Malaysia, Indonesia and Thailand.

Yet, although these companies’ kinship-based network of branches expands across several continents and is truly global in its operation, Senegalese agents maintain a distinct “vernacular cosmopolitanism” (Appiah, 1998; Diouf, 2000; Rosanders, 2005; Werbner, 2006) in their transnational entrepreneurial vision. To begin with, there is the constant reference point in the original enterprise in the market of Dakar whose founder remains the key – if only symbolic – authority of the company. In view of this, decision making among the transnational branches – facilitated by regular Skype conversations – regarding for example further expansion or the allocation of profits is deeply informed by principles of seniority. Most importantly, differences in formal education notwithstanding, these family enterprises continue to operate in the classic structure of recruiting newcomers exclusively within the family network, thus transmitting business skills and circulating capitals along intergenerational “strong ties”. The youngest of the family are integrated into the local Senegalese business from an early age onwards before receiving academic training in international universities in Europe, Morocco, the United States and more recently, in China. They are then sent to learn the trade in the Chinese branch of the multinational company, until they receive increasing responsibilities and eventually get to manage their own branch of the company established in the course of further geographical expansion.

In contrast to this common though by no means universal logic of Senegalese business organization, the established agents in our Ghanaian sample to a large extent come from less privileged backgrounds and, by mobilizing “weak ties” managed to access the network of accumulation in China over the course of the last 5 to 10 years merely by means of gradual accumulation of capital. Hence, they typically arrived in the hey-days of the China trade, either as students or as “hustlers” who following popular advice turned to Guangzhou and were lucky to be introduced to a previously established agent who needed assistance with his quickly growing client base.
Within few months, they would learn the practicalities of the trade and eventually take “their” clients with them to become independent. Thanks to the business’ boom at the time, they quickly established respectable companies active in various areas of investment and often including tight co-operations with Chinese partners.

These Ghanaian agents form the core group of the Ghanaian community association in China. Asked about the criteria of inclusion and exclusion in their group, these actors denied that it had to do with a particular personal wealth, but instead emphasized their experience in the business, which allowed them to pool business information to their mutual advantage, besides what they called their “influence” in Chinese administrative affairs, a point that we will return to in the subsequent section. Through introduction within the community rather than kinship-based mediation this group occasionally admits individual newcomers – only in one case known to us an agent also brought a relative for training – to receive assistance from an established agent and ultimately inclusion in the network of accumulation: the case of the present community chairman and his former “trainee”, the community’s secretary, is the pertinent example here.

Though entirely different in their method of inclusion, Ghanaian and Senegalese full agents’ activities – though always business oriented – are never solely economic in character but simultaneously situate these actors in complex webs of power relations. A brief look at literature about the intersection of leadership and economic success underscores this point. Clark’s (1997) description of Ghanaian market leaders characterizes the latter as usually the more affluent individuals, capable to spare “unproductive” resources while at the same time gaining substantial status from taking up responsibility for others – a form of subjectivity also described by Werbner (2009) for Batswana elites. For the case of Senegal, Sarr (1999) as well as Marfaing and Sow (1999), and for Niger, Grégoire and Labazée (1993) underscore this point.

These leadership positions in the market and society as a whole are reproduced by controlling the flow of resources both horizontally – within the network of accumulation in the form of cooperation but also the obligation to redistribute capitals to newcomers – and vertically, that is, into the networks of survival in the form of charitable assistance in return for gains in status. In view of this, we argue, it is no coincidence that the positions of full agents who are connected within networks of accumulation overlap decisively with those of community leaders. Thus, networks of accumulation, in this light, impinge on the process of community formation in that they provide the central figures in the nationality-based and business associations of Ghanaians and Senegalese in Yiwu, Guangzhou and Hong Kong, which are established to represent and help compatriots in need. And in the Guangzhou based headquarters of the Ghanaian community in China is staffed with the members of the most successful agents residing there. Successful agents not only represent the main actors of the executive board but also enjoy a particular social status within the Ghanaian community in the city at large, tensions about the skewed representation of genders notwithstanding (interview AT n°21 on 28.6.2013 in Guangzhou).

The Diversification of Networks: Reaching Out Into Chinese Society

At the same time, in order to remain open to new opportunities, networks of accumulation do not merely reproduce a West African vernacular cosmopolitanism in China but simultaneously building bridges into wider spheres of influence. They thus do not mobilize their social capital exclusively among themselves but actively reach into the spheres of power in both the Senegalese or Ghanaian state respectively, and the local Chinese bureaucratic and business realms.

Working with Chinese Administration

As has been referred to already, successful West African trade agents in China, who are also at the center of the nationality-based associations, often mobilize their contacts to relevant players in the Chinese system to assist compatriots in acute need. However, their knowledge of the relevant channels of the Chinese administration also turns them into invaluable mediators and consultants in larger Afro-Chinese relations.

To return to our case studies quoted above, established Senegalese entrepreneurs in China play a distinct role in advising Senegalese officials on business and diplomatic affairs, including large state sponsored projects, to be implemented in Senegal. The visit of the Senegalese President to China in February 2014 included a Senegalese businessman from Yiwu in the delegation. In China, the influence of these entrepreneurs allows them to facilitate visa applications for their close kinship network and the smoothing of administrative and legal hurdles for their relatives. Though they limit these services to members of their family, their status and reputation in the business besides their substantial knowledge of Chinese social, economic and administrative ways of doing has made this family unofficial spokespersons of their countrymen in China: in the city Yiwu, the Municipal Justice Bureau concerned dealing with foreigners in legal difficulty has three non-Chinese volunteer mediators, one of whom is a Senegalese (interview LM n° 19 on 19.6.2014 in Yiwu and n° 97 on 5.2.2014 in Dakar).

Such “influence” – as difficult as it is to confirm our West African informants’ statements from the point of view of their Chinese counterparts – may not least take the form of being recruited for diplomatic purposes in case the embassy in Beijing is too far away or relatively unconcerned with trade-related issues concentrating in Guangzhou, Hong Kong or Yiwu. The group of Ghanaian agents that represent the leadership of the “Ghanaian community in China” – that is the nationality-based association of all Ghanaian residents in the country – not only claims to be well connected to the immigration officials in the city in their capacity as mediators in case a countryman or women is facing prosecution.
While such connections are little surprising given the association’s *raison d’être* to assist countrymen in difficulty, what was more striking was the Chinese government’s choice to approach this body rather than the Ghanaian embassy in Beijing when in June 2013, a large number of Chinese nationals was arrested in Ghana with charges of illegal mining (galamsey).

However, political influence is not the only sphere of influence that Ghanaian and Senegalese networks of accumulation in China are arguably reaching into. According to Kate Meagher (2006:553f), “social networks (…) engender trust and flexibility, reduce transaction costs, and facilitate integration into the global economy”. Especially, “inter-firm organizational networks” that are constituted by “subcontracting and informal borrowing, based on a combination of proximity, social ties, and considerations of cost and skill” (ibid.: 561f) may play this role. In the following, we hence explain how Ghanaian and Senegalese full agents expand their networks into the realms of the Chinese economy beyond mere customer relationships.

**African Business Networks with Chinese Participation**

A small and doubtlessly only the most successful group of our informants diversified their forwarding businesses into what they presented as African-Chinese “joint ventures”. Though the concrete form of these partnerships remained unclear, the associated activities factually relied on both parties’ joint capital (production sites, labor and machinery) and risk taking.

Asked about the nature of his cooperation with a Chinese partner, one Senegalese informant responded, “you can call this whatever you want, I own the majority of the shares, I produce, I pay my 250 workers and I sell” (interview LM n°19 on 19.6.2013 in Yiwu). Another Ghanaian explained about his partnership that it is “49 percent only on paper, in reality it is 50-50” (interview AT n°15 on 22.6.2013 in Guangzhou). This same informant clarified the advantage of forming a joint venture with a Chinese partner, especially in the informal spheres of doing business. In his words, the Chinese partner signs all deals in order to discourage suppliers from cheating them. The partner’s tacit knowledge of Chinese bureaucracy is equally acknowledged as a major asset.

Another form of extending business networks into Chinese society is by engaging in subcontracting and privileged partnerships. Here, African entrepreneurs source out some of their clients to partnered Chinese businesses, which eventually can lead to trusted and longer-term relationships (interview LM n°25 on 24.6.2013 in Guangzhou), which usually enforce professional standards and are a source of innovation for the parties involved. This may take the advanced form of cooperation where the objective is to transfer their business to Africa.
Though some of our informants stress the desire to become completely independent of China, many also express the plan to make the move with Chinese partners and Chinese machinery, which they deem more suitable for African needs and conditions. “If a European machine costs 100,000 USD, I can buy five Chinese. Even if one breaks down, I still have four more running” (interview AT n°17 on 25.6.2013 in Guangzhou). These plans then involve Chinese engineers and instructors, who are sent by the Chinese producer of machinery or materials to enhance the local establishment of the product.

By mobilizing their economic success, their social, familial and sometimes religious connections besides their intimate knowledge of and importance in the Africa - China trade, in short, as a consequence of their integration in networks of accumulation – big African businessmen and women in China manage to relate to the Chinese business and administration. This interlacing of West African networks and Chinese economic and to some extent local political life indicates that networks of accumulation are not mere West African transpositions of ordering socio-economic relations but represent complex adaptations to Chinese realities, opening up to them and integrating them to their advantage.

Conclusion

We set out in this article to trace the networked social organization of Ghanaian and Senegalese trade agents residing and working in the Chinese cities of Yiwu, Guangzhou and, to a smaller extent, Hong Kong. Adopting Meagher’s differentiation between networks of survival as opposed to networks of accumulation, we juxtaposed two sets of economic actors in the African forwarding business in China who differ fundamentally with regard to the services they render and thus their potential for accumulation. We advanced that these agents’ opportunities depend to a large extent on the newcomer’s integration in the relevant networks and the circulation of capitals within these.

In this light, due to their lacking access to networks of accumulation, coaxers have fewer chances to realize their plans in China. In contrast, apprentices of established agents come to be embedded in networks of accumulation, where they learn to exploit the capital and skills that circulate within these realms in order to pursue their strategies of expansion in China.

Typically, this takes the form of young people receiving training from more established agents. In the Senegalese networks in China, despite some exceptions that involve partnerships between peers of an age group of businessmen, newcomers are often family members: they attend Chinese schools and simultaneously are trained in the enterprise. Ghanaian newcomers, in contrast, tend to access apprenticeships and training predominantly through the mediation of the Ghanaian community association in China.
Nonetheless, although networks of accumulation tend to reproduce themselves with regard to their relatively restrictive selection of newcomers, they do not remain exclusive. Slower and less secure processes of accumulation in the networks of survival with time allow newcomers to consecutively move from one kind of network into the other. In particular, those coaxers who arrived at a time of heightened opportunity – though they initially came with very little social or financial capital – slowly accumulated the resources that allowed them to gain inclusion into the networks of accumulation. In other words, access to networks of accumulation, in addition to the kin-based mechanism of apprenticeships, may be gained by demonstrating success in the business and insider knowledge of the Chinese society.

In addition to this mechanism of inclusion, networks of accumulation make exceptions to their exclusivity by opening themselves towards various spheres of opportunity. In view of this, both Senegalese and Ghanaian agents’ strategies in China can be summarized as a maneuvering and overlapping system of religious, familial, entrepreneurial but also political spheres in which capitals such as financial assistance, business information and training circulate. Actors move between these spheres according to their need and without ever leaving their own network by using the network overlaps as gateways. In our view, the actors and relationships within and between various networks of African residents in China can be illustrated in the following model.
We have further illustrated in this article how West African trade agents in China mobilize an array of relationships from their different networks in order to ensure their entrepreneurial success. In this light, our model illustrates how the networks of Ghanaian and Senegalese agents in China provide ties with the nationality-based associations in China, mainly by acting as the key representatives of these institutions and by mobilizing their knowledge of and contacts with the Chinese society to assist compatriots in need. Community associations cannot function without these key actors just as the networks of accumulation depend on their nationality-based associations to reproduce themselves and expand their spheres of activity and influence. Hence, networks of accumulation further create ties with Chinese society, though for methodological reasons less is known about the mutuality of these relations. From the point of View of our informants, their business success translates into influence, both in social and political terms, and integrates them to some extent into the diplomatic relations between different Chinese authorities and their home societies.
Finally, agents’ networks of accumulation rely on a strong connection to their African home societies. Social and business relationships at home act as vehicles for the transmission of values and modes of behavior into China. Networks thus represent a delocalization of operating modes from networks which have their sources in the agents’ places of origin. Ultimately, China is only one stage for the performance of transnational business success and the validation of the entrepreneur takes place to a large extent also at home.

In sum, China, because of its rapid economic development in the export of goods over the last 20 years, acts as a catalyst and emancipatory opportunity for many West African entrepreneurs. Yet, the key to success lies to at least the same extent in the Ghanaian and Senegalese mode of operating in social and economic networks. The processes at play in this interaction of Chinese political and economic conditions for investment and West African entrepreneurs’ vernacular cosmopolitanism in an interconnected world challenge researchers to rethink some of their categories, for example the much to quickly applied homogenizing label of African migrants in China. The movement of our informants between networks valorizes their status, rendering them fully autonomous and highly experienced entrepreneurs who cannot be subsumed under this category. In addition to this temporal fluidity and porousness of classifications, we need a more interactive or circular concept of the flow of ideas between Africa and China. Africans in China, according to their social and economic status, act as translators of Chinese ideas and experiences into their places of origin. We have described elsewhere (Marfaing and Thiel, 2014) how these translations reflect at all levels of social and economic life, for example, the sustainable use of public space, the arrangement of homes but also business practices such as work ethics. Yet, Africans are not merely at the receiving end but extend their significations of ordered (networked) social life into their communities in China. These communities in turn embody the future of African –Chinese encounters in their aspiration to return to produce in Africa.

References


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**Notes:**

1 Cf. Cissé (2013) distinguishes between “trade agents,” (a category under which he assimilates our groups of coaxers, associates, employees, and apprentices), “entrepreneurs,” and “temporarily traveling traders.” Cissé does not consider “service providers.” Cf. also Matthews and Yang (2012) who differentiate between “traders” and “consultants.” At the same time, we depart from the wide-spread vocabulary of migration (e.g. Bredeloup 2013; Şaul and Pelican 2014), which in our mind does not adequately capture the potential of these actors not the status of their economic engagement.
In contrast to Meagher’s focus on informal economic activity, we are not concerned with this aspect of our informants’ networked practices and interactions as we are focusing mainly on established and typically regularized West African agents in China.


Meidah, or economic district n° 3 (Bertoncello, Bredeloup and Pliez 2009), is named after the first Arab restaurant in the area (Gaborit 2007). It was Meidah’s consolidated Arab presence (Bertoncello, Bredeloup and Pliez 2009: 106; Le Bail 2009: 9; Pliez 2010: 133; 137; Dittgen 2010) that to some extent facilitated the first African traders’ inclusion in the city.

By small-scale, we do not refer to these traders’ retail mode in the markets of Ghana and Senegal. Rather, we distinguish between wholesalers and retailers whose capital stock suffices for sustainable business activities and those who render themselves to China with minimal assets and are thus extremely vulnerable to economic shocks (interview LM n°25 on 24.6.2013 in Guangzhou).