

BELTWAYS OF AGENCY: DRIVERS, MODALITIES AND OUTCOMES OF CHINESE ENGAGEMENT IN ETHIOPIAN INFRASTRUCTURE INVESTMENTS

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Abstract

China's increasing presence in Africa has raised concerns among scholars, policy makers, and practitioners about the potentially exploitative outcome of this encounter. The core idea behind this concern is that of a one-way domination of a passive and submissive Africa by a monolithic China. This doctoral research aims to contribute to the body of literature on China-Africa relations by studying China's presence in the Ethiopian infrastructure sector as an ideal case to examine this polemic, given both the importance of infrastructure investment in Ethiopia's development strategy and the dominance of Chinese involvement within such investment, with Ethiopia receiving the second-largest amount of Chinese infrastructure financing in Africa. It is against this background that this dissertation investigates Chinese-financed, Chinese-built infrastructure in Ethiopia. To do so, the thesis advances a new interpretative concept, the Global Infrastructure Network (GIN) framework. This concept maps infrastructure projects with negotiations between different actors at the global, national, and local levels. It helps to grasp how these levels are interconnected with one another and, therefore, to identify otherwise-hidden socioeconomic and political factors shaping the expressions of agency of different actors involved at different stages of the design, financing, and implementation of infrastructure projects. The framework also helps to assess how infrastructure projects are integrated into global, national, and local economies and to scrutinise their potential to generate positive development synergies and drive favourable economic outcomes. The result is a portrait of actors, power relations, incentives, and interests at play in China-Ethiopia relations in the infrastructure sector.

The research sheds light on how, despite the diversity and fluidity of Chinese companies' behaviour and their multifaceted effects, their presence in the Ethiopian infrastructure sector exhibits positive development synergies through creating employment opportunities, accelerating technology transfer, and diversifying the production structure. It also questions the assumption of African passivity in the Ethiopian case. When one reads infrastructure projects as the result of negotiations occurring at several levels and different moments in time, my fieldwork evidence suggests that Ethiopian actors

have been able to pursue their interests before, during, and after the implementation of infrastructure projects, albeit with differences in the immediate effectiveness of their actions.

This research therefore contributes to the debate on China-Africa relations at four levels. First, it advances a new conceptual tool, the GIN, that helps to interpret foreign-financed, foreign-built infrastructure projects with a map of actors, negotiations, modalities, and outcomes. Second, it sheds light on the increasing dominance of Chinese firms in the Ethiopian infrastructure sector by exploring the drivers of Chinese firms' engagement in the sector. Specifically, it shows how political and commercial interests are strongly interlinked. On the one hand, Chinese banks and state actors play an important role in crafting normative and financial conditions to support the expansion of Chinese firms in Africa. On the other hand, Chinese firms are increasingly operating beyond the Chinese government's control and tend to follow self-interested commercial objectives. Third, the study offers a comprehensive account of how Ethiopian state and nonstate actors pursue their interests inside and outside state-led negotiations with their Chinese counterparts and shape the engagement outcome. Fourth, it presents new evidence to challenge the idea of Chinese infrastructure projects as secured enclaves. In the case of the Ethiopian infrastructure sector, several Chinese companies show an increasing integration with the local economy. However, the study suggests that the local industry makeup, marked by lack of regulations and weak local capabilities, and the characteristics of Chinese firms can condition the formation of development linkages.