Development Assistance with Chinese Characteristics

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The People's Republic of China (PRC), as a newly industrialized country (NIC) and major player in the world economy, finds itself in a unique situation. Despite beginning its own modernization a mere thirty years ago, the PRC has become a major source of development assistance and foreign direct investment (FDI), with much of it going to Africa. As a donor, the PRC is a stark contrast to traditional sources of development assistance and FDI, namely the neoliberal institutions and countries of the Global North. The PRC itself is in many ways a still developing country, as understood by international relations theory. As can be expected of a country with a tumultuous 3700 year history, the creation of a new foreign policy is quite a task. Even as of this moment, Chinese scholars are debating the matter (Zhang 307). Outside observers have had equal difficulty in defining Chinese policy relating to FDI and international relations in general (Ramo 12).

There exist at least three popular schools of thought in China, that due to the complex historical, economic, and social factors that shape these theories they often converge. In an attempt to differentiate them, they can be very broadly defined as national exceptionalism, international inclusivism, and a modernized form of Global South solidarity. A fourth theory, economic realism, is revealed when looking critically at the other three theories. As a result of their fluid nature, these theories cannot be tested with tangible evidence. The situation would be different if there were many decades of economic data to access, or a truly universal definition of Chinese FDI policy. As moving targets, however, the best way to address these theories is to take a qualitative approach, applying them to a single case-study, such as Angola.

According to its national mythos, during the imperial period China saw itself as occupying a higher plane of existence, Tianxia, “land under Heaven” (Jacques 241; Zhang 308). By extension, the emperor and his Confucian moral authority were equally divine and relevant to the world outside Tianxia's boundaries (Jacques 244). These ancient beliefs continue to serve as a powerful basis for Sinocentrism in the modern Chinese worldview. The strong divide between outside and inside led to a duality in Chinese worldview, whereby Chinese were one race, and non-Chinese as a whole constituted another (266). While not directly a cause of racism in modern China, this tradition does continue to manifest xenophobic tendencies among Chinese today. There was such a power difference between China and the surrounding states that yearly tribute was paid to Beijing (292). Essentially, imperial China was seen as a divine example for the surrounding states. It is important to note that this teaching did not involve solely the application of hard power. As mentioned by Yan Xuetong and Huang Yuxing, military force alone is not a legitimate path to hegemonic power, according to Confucian political thought (124). Equally important in this philosophy are the ideas of creating alliances with distant states, and upon annexing a territory winning over the minds of new subjects (130, 131). These three Confucian principles can be seen in both ancient and modern Chinese policymaking. These historical and social factors create what Jacques terms "Chinese civilizationalism," a deep connection to the past that is the foundation for the modern nationalism of the PRC (244). A more appropriate term for modern nationalism could be Tianxiaism, which manifests itself as an intense belief in Confucian values and morality. By extension, the PRC is a "moral superpower" with the responsibility to re-attain its overall superiority among nations (Zhang 309). In doing so, the Chinese can also bring their values to the world, through illustrious passive example.

Zheng identifies an offshoot branch of Tianxiaism, called "Neo-Tianxiaism," which is differentiated by a lack of focus on one culture as being "the other." Instead, every nation and religion is taken together to form universal inclusionism (313, 314). This results in the idea of a "harmonious world", which will avoid the conflict associated with neoliberal system in place today, relying on the Confucian values of avoiding war and moral leadership (311; Xuetong & Yuxing 137). The critical difference between the two theories is that the Chinese nation is not seen as ultimately superior, though its Confucian values would remain universally significant.

A more modern component of Chinese nationalism, the "national humiliation" narrative, is an extremely powerful emotional element. It focuses on the subjugation of China in the 19th Century, at the hands of both the Japanese and Western empires. Indeed, the Chinese often call this period the "Century of Humiliation." Taken together with the concepts of Tianxia, national humiliation discourse creates a sharp contrast within modern Chinese nationalism. This idea of a unique Chinese experience has led to self-perceptions of the PRC as defender or patriarch of the Global South. When China grants assistance or aid, it is not doing so out of greed or exploitation. Rather, it is seen as an attempt to help a nation coming out of an experience not unlike that of China in the past. Essentially, it is a continuation of the old Non-Aligned Movement ideals of non-intervention and anti-hegemony.

The practical economic application of these ideas is, in the West, called the Beijing Consensus, in contrast to the neoliberal Washington Consensus (Ramo 4). The three main tenants of this economic policy are the employment of leapfrogging technology and infrastructure; a focus on equal, sustained development; and the total respect of the host nation's sovereignty (12). As a result of these policies, most host nations experience slow, incremental growth under very centralized, powerful governments (Williamson 2).

Of course, there are much more simple, realist interpretations of the PRC's foreign policy and policy on FDI. When one does away with sociocultural and historical explanations, there is simple capital gain, natural resource acquisition, and expansion of markets for PRC products. If anything, the frameworks and theories put forth by Chinese institutions merely serve to obstruct understanding of the economic colonialism taking place. Any FDI given by China to Global South client states is effectively an investment that will create returns. In many ways, there is less difference between Chinese behavior and that of Western donors, and certainly less than admitted by Beijing.

One interesting study of Chinese FDI over the roughly thirty year period since 1984 found a general trend of increased investment from North to South. From the 1980s until the early 1990s, most FDI generated by the PRC was invested in Global North countries, where it was used to acquire technology to support further domestic growth (Buckley, et al. 503). These initial FDI allocations were characterized primarily by cultural proximity and market size (511). In other words, the first Chinese

FDI was centered in stable Global North countries, close to areas Chinese expatriates settled. After 1992, a shift occurred, where Chinese FDI was instead invested in less stable Global South countries, where there were more natural resources to be acquired (511). This pattern could be explained by the lack of personal risk to state owned enterprises (SOEs) that are heavily subsidized by their parent governments (513). A third shift occurred after 1999, around the start of the "zou chu qu" ("go global") campaign by the Chinese state (500). This campaign initiated the breaking down of trade barriers that existed, such as draconian state control over FDI allocation. (500). Despite all of these changes, the one factor that has been consistent for decades is cultural proximity. Even within high-risk markets, FDI flows only where the Chinese diaspora has settled (511).

The relations between the PRC and the Republic of Angola are a good case-study for Chinese FDI practices. One reason is the longevity of their relationship; Angola has received aid from China since the early 1960s, even before it won independence from Portugal. (Campos & Vines 1). A second factor that makes it a useful benchmark is the amount of aid required to rebuild post-civil war Angola (22). A third reason is that its position, as a former colony of Portugal, makes it a place Global North multinational corporations (MNCs) feel more welcome (22). This allows a comparison between the behavior of Chinese SOEs and MNCs. Fourth, the end of Angola's civil war in 2002 coincides with an increase in Chinese FDI to Africa, mostly allocated to construction and infrastructure. This situation came about due to the United Nation's declaration of the Millennium Development Goals circa 2000, and the ensuing focus on social services FDI by the Global North (Brautigam 77). The last reason Angola is a good place to look at more closely is that it is sub-Saharan Africa's second largest oil producer, bringing in 30 billion USD in 2006 (Wiig & Kolstad 179). In 2009, Angola oil represented 15 percent of the PRC's oil imports, making it a key partner (Jacques 325).

Within the PRC, there are SOEs owned by the central government in Beijing, SOEs owned by individual provinces, and also relatively miniscule privately owned enterprises. (Corkin 477) In addition, there are "dragon heads," special SOEs that produce national brand name products, who are especially favored by Beijing (Brautigam 87). These “dragon heads” are associated with internationally available products, like Lenovo computers or Chery vehicles. Financial institutions, like the China Import-Export Bank (Exim Bank), are the way contracts in various industries are awarded by these SOEs. While other institutions exist, such as the China Development Bank and China Agricultural Development Bank, Exim Bank remains the first and largest Chinese investor in Angola (Brautigam 79).

Chinese construction SOEs operating in Angola generally have a bad reputation locally. The local population often feels discriminated against with virtually all labor being brought in from China (Corkin 478). In addition, local businesses are unable to tap into the materials market, as by Exim Bank contract 50 percent of all material must be sourced from China. Furthermore, while 30 percent is by contract allowed to be sourced locally, it must not interfere with project deadlines (476). Local companies are shut out by both of these contract provisions. On those occasions Chinese SOEs do train Angolans, the workers are sent to China for several months of training. Upon return, they are expected to work for the Chinese SOEs that trained them, not for Angolan companies (479). The Chinese underpay the locals even after training. At one company Chinese workers earned an average of 225 USD per month with a 1500 USD bonus annually. Angolans typically earned 157.5 USD per month, on a non-contractual basis (480). Perhaps most telling, the two Chinese-Angolan business associations present in the host country regularly network Chinese SOEs, with no real effort made to conduct business in Portuguese (480).

There are benefits for Angolans despite this discrimination. For political reasons, the commodity-exporting nations in sub-Saharan Africa have been largely ignored by the Global North, and China provides them with needed revenue (Jacques 321). Aid granted by Beijing also comes nearly unconditionally, with PRC aid acting as an alternative to the World Bank and International Monetary Fund (329, 327). These injections of money, both in the form of FDI and business exchanges, help to stabilize the local economies. In 2007, there was 61.8 percent employment in Angola, testifying to this fact (Corkin 481). The only repayment that must be made by host countries to China is in the form of commodities. These "Angola Model" loans are taken out to build infrastructure in the host country, which are then paid back in oil shipments and revenues once local refineries are operating at capacity. Exim Bank controls this part of the process as well; SOE accounts have payment from completed projects directly deposited by Exim Bank. Exim Bank handles the withdrawals from host country oil revenue accounts, also under their control. Once the host country's debt is collected, any remaining funds are returned to the host government (Campos & Vines 9).

Being less government-driven and more operationally independent, Global North MNCs like BP Global and Chevron Corp have differing interactions with locals in Angola. As David A. Brown notes, the PRC has neither civil society nor NGOs to act as a national moral consciousness; there is only nationalism and profits (69). There is much more focus put on positive, beneficial interactions, as there is more transparency and pressure. Ironically, this pressure often comes from Global North governments, who must please their globalized, informed constituents (Wiig & Kolstad 186). These acts of operating responsibly and maintaining good local relations are called corporate social responsibility (CSR), generally encouraged by the MNC's country of origin, and enforced by the host country. Upon asking corporate executives to rank the top catalysts for CSR practices in Angola, the first four were "commitment to providing training and education for workers," "strategy of Angolization," "commitment to investing in Angola to reduce flaring," and "commitment to providing health and safety systems" (182). When asking the same questions of Angola government officials, the top four were "good international environmental reputation," "strategy of Angolanisation," "commitment to providing training and education for workers," and "track record of using local resources" (182). The theme that reoccurs in both samples is that of localization of operations, and job training for Angolans.

The two official forms of CSR funding that originates from oil MNCs are the Production Sharing Agreements (PSAs) and the signature bonuses (183). PSAs require MNCs to give money to social programs in their local area of operations (183). Some portion of local oil revenue thus remains local to help the Angolans that need it most. The bonuses tied to contract signing have an earmark for social programs as well. Both of these funding sources are controlled directly by Sonagol E.P., the national oil company, with the destination of PSAs being totally non-transparent and signature bonuses unclear at best (184).

The Chinese self-perception of being universally relevant, in a form of national exceptionalism, is a powerful driving force behind PRC foreign policy. Martin Jacques actually identifies a three-stage cyclical pattern in ancient Chinese history. The third stage, "Da Zhonghua" involves spreading Chinese beliefs among the barbarian peoples far outside the borders of China. (389). This civilizing mission is very distinct from what one would expect from the old European hegemons. Applying the Tianxia concept to Chinese assistance to Angola, in an ideal situation the PRC would see it as an opportunity to lead by example. The People's Liberation Army is more likely to be seen assisting with engineering projects than policing conflict zones. Confucius compares a benevolent hegemonic state to the North Star, passively remaining in place, while the other stars turn to face it. (Confucius 5). According to Tianxiaism, there would be a one-way form of passive cultural exchange taking place, with the ultimate goal of changing the ideas and outlook of everyday Angolans, to more closely resemble Confucian values.

Because Confucian thought advocates top-down government, this cultural change would first be reflected in the Angolan government, then in its citizens. President José Eduardo dos Santos has made efforts to centralize certain government functions relating to reconstruction, creating the Economic Planning Committee in October 2010. This single body, immediately under the President, replaced the fund allocation functions of both the Ministry of Finance and the National Bank of Angola (Corkin 482). While this change is reflective of a strengthening of government, it does not necessarily correlate to Confucian philosophy. Other factors can explain the consolidation, particularly since President dos Santos is known for financial corruption.

The other tenet of Confucian thought, that of creating alliances to become a powerful hegemon thus reveals itself, reflective of PRC foreign policy in Africa. African nations that seem offensive and in need of “regime change” to Global North governments are considered perfectly reasonable allies to the PRC (Jacques 319). One example is aforementioned President dos Santos, who has become extremely wealthy over his thirty-five years in power. This can in part be explained by the Chinese desire to become powerful through soft power alliance building in Confucian style. Even if in disagreement with their policies, Beijing would be reluctant to impose changes, as Confucius believed distant military campaigns tend to produce few results at exuberant cost (Xuetong & Yuxing 128). Furthermore, Confucius believed that an evil state was characterized by violence and chaos, especially in its government (125). While clearly the PRC is not by any means isolationist, its use of hard power solutions is checked by this Confucian value on non-violence and conservative judgment.

This ideal vision of the PRC as benevolent benefactor is clearly not the case, as mentioned earlier there is an extremely low opinion of Chinese and their business practices in Angola (Corkin 478). More problematic is the issue of Chinese racism by, both in host countries and in China. This racism has its deep roots in the ancient Chinese dualities of insider-outsider and Chinese-foreigner. Angolan workers are seen as less able to sacrifice for their job, and unable to keep up with demanding Chinese schedules (480). In December 1988, 3000 students violently protested the admission of Africans to Heihai University in Nanjing (259). History is often cited by Chinese to show traditional support for Africa. For instance, they tout the voyages of Zheng He, who visited Africa in the 15th Century and who did not take slaves or plunder from the coast (332). Ironically, Zheng He's accounts from his trips often reinforced the racist duality popular at the time (247).

In spite of all these facts, the PRC government still attempts to show pretense, having opened 22 new Confucius Institutes in 19 countries in 2011 (Brown 38). While there are none in Angola, these institutes are designed to teach Chinese culture and language to local populations, always located in an existing university. There are also more than 20 Xinhua News agencies located in Africa, again able to reinforce the soft power China exerts. These two organizations serve to win over the loyalties of local peoples, as suggested by Confucian thought. True annexation of a country involves more than taking territory, the loyalty of the population is also paramount (Xuetong & Yuxing 131). While impressive, these gestures have little meaning to Angolans on the ground.

If any part of Tianxiaism is accurate, it would be the idea of Sinocentrism, with Chinese superiority being clearly established, and oftentimes, delineated. The Chinese expatriates in Africa often live in enclaves separate from the locals, with separate banks and markets (Brown 19, Corkin 478). It can be argued that this is simply a natural extension of Chinese desire to be in familiar surroundings (Buckley 511). Unlike in the Global North, culture is very crucial to Chinese, determining factors like investment locations. In contrast most Global North investments have return on investment as the primary factor.

Because the main principles of Tianxiaism do not hold up to scrutiny, Neo-Tianxiaism also fails to deliver. The "harmonious world" concept, as a counter to neoliberalist doctrine, in some ways does exist. There is an alternative already model in place as far as FDI and development assistance is concerned. Taking Africa as an example, developing states have essentially two choices. There is the IMF and World Bank reconstruction path, where the government is locked into politically tied aid. Generally this involves mandatory austerity measures and at times government restructuring. Chinese institutions, most often China Exim Bank in the case of African states, provide loans and aid for reconstruction as well. This aid comes with fewer conditions, all of which are commercial (Brown 31). Some researchers have even predicted a time in the future when the Renminbi could become a second international reserve currency (Jacques 362). Given the wide appeal of Chinese aid among African governments, it is not in the realm of impossibility to imagine a bipolar world in three dimensions: politics, economy, and defense. Though it is beyond the scope of this paper, it is worth mentioning that the Soviet Union was primarily a superpower through its military and political dealings, with its economy suffering to support the former. The PRC appears to rely more on its soft power and economic appeal, with its military being a third pillar. Both of these strategies are not as stable as appearances suggest, as seen with the Soviet Union. The endgame of the PRC's strategy remains to be played out.

While Chinese aid does create more political and economic equality among states in the Global South, it is nonetheless beneficial for the PRC. Commercial contracts do oblige client states to provide the PRC with raw materials extracted with Chinese-built infrastructure. This tends to hurt states like South Africa, Lesotho, and Kenya which like the PRC are classified as NICs. (327). Chinese prices shut out these states from local markets. On the other hand, states that are commodity exporting like Angola tend to be strengthened by Chinese FDI, with declining consumer goods prices and stable markets (327). The Chinese state is clearly superior to its client states in economic exchanges, and there is little effort made by Chinese to even learn local languages. The example of Chinese-Angolan business associations not using Portuguese is again relevant here (Corkin 480). Neo-Tianxiaism explains the increased political and economic cooperation of the PRC and countries of the Global South, but if it were truly a "harmonious world" there would be better relations between ordinary Chinese and ordinary Africans. Instead, it appears that elites in both countries work together, at the protest, or at best indifference, of their populations. Evidence of this exists in the lack of Chinese civil society, and the corruption of African states such as Angola (Brown 69; Corkin 188)

A better framework to understand the Chinese-Angolan relationship would be that of the Beijing Consensus and national humiliation discourse. The reason is that as a primarily economic, rather than sociocultural model, the Beijing Consensus fits better into the neoliberal economic system. The idea of a China as helpful benefactor, rather than a "moral superpower" better explains its outsourcing of materials and labor. The local ability to deploy the latest technology simply does not exist from local sources, so it must be brought in (Ramo 12). China does allow some of the locals to be trained in the equipment, perhaps to handle issues after they leave. It also justifies China looking the other way when dealing with authoritarian governments, as "hua bu zhi yi," ("The Chinese do not govern foreign peoples") (Zhang 319) Under this economic theory, "Angola Model" loans start to seem less like dependency theory and more like loan forgiveness. This is especially true when you compare Chinese loans to those of the IMF or World Bank, with strict repayment conditions (Brautigam 73).

Looking at Exim Bank's FDI allocation in Angola, the traits of advanced technology implementation, equal development, and non-intervention can be seen. The initial Exim Bank contracts in Angola, Phase I (2002), set aside 217,158,670.63 U.S. Dollars (USD) for education, 243,845,110.58 USD for energy and hydropower, 211,684,100.65 USD for public works, and 206,100,425.42 USD for health (Campos & Vines 5, 7). These first contracts focused on infrastructure related to basic needs: education, electrical generation, and healthcare. The second round of contracts, Phase II (2008), allocated 276,307,189 USD for postal and telecommunications, 266,847,509 USD for fisheries, 229,624,314 USD for education, and 144,902,615 USD for energy and water (7, 8). Again, these projects relate to basic needs, such as education, communications, and water access. Taken together, Phase I and II provide two of the three basic needs, namely food and water. While the credit is put forth by China Exim Bank, the funds are controlled by an Angolan government body. The Gabinete da Apoio Técnico de Gestão da Linha de Crédito da China must approve all projects and fund allocations before any projects are begun. Without this approval, no activity takes place, putting the final say firmly in the hands of Angola's government, in this way respecting their sovereignty.

One red flag that tends to support the theory of realist economic theory is simply that the PRC is not a member of the Organization for Economic Co-Operation and Development, which means it is free to use any business practices it desires (Brown 49). This includes practices such as lowering the value of the Renminbi and allowing creation of super-SOEs like China Exim Bank. There are even overtly criminal actions taken by Chinese entities. Sonagol E.P.'s branch in Hong Kong has been accused of cooperating with triads in Africa. The Hong Kong branch handled exports totaling 20,000,000,000 USD in 2011 (48). A second factor pointing to this motive is the rise of wages in mainland China, as well as burgeoning environmental laws (57). Chinese SOEs want to maximize profits, and have been allowed to do so at great environmental and social costs. That the authoritarian Chinese Communist Party (CCP) has relented and made concessions on wages and environmental laws could be due to a couple of factors. One is that the social and environmental situation has become severe, and the other is outward international pressure. There are incentives put forth by the state for most SOEs dealing with production to move overseas, to essentially export “dirty industries” (57). Essentially, mainland China is no longer the most efficient and cheap place to manufacture goods, so those jobs get pushed overseas, to places like Angola. This movement of jobs relieves the massive pollution and overcrowding issues plaguing the PRC, and also allows Chinese SOEs to take advantage of fewer laws and regulations. As of 2009, 187,396 Chinese were living and working in Africa, making 20,000,000,000 USD in profits (46).

In addition to seeking better business conditions in Africa, China is also looking to acquire natural resources. As previously stated, since 1992 the PRC has placed FDI in resource rich countries (Buckley, et al. 511). As further evidence, in 2010 the PRC’s seven biggest trade partners in Africa were all oil or mineral exporting nations. These raw materials serve to support the continued growth of the Chinese high tech economy. As of 2003, China has imported more food than it produces domestically (17; 81). Chinese on the mainland have begun to consume food from Africa, such as Ugandan coffee and sesame seeds from Ethiopia (83).

Not only do Chinese consume African products, Africans also buy Chinese goods. Chery Automobile opened a plant in Kenya, spending 50,000,000 USD as an initial construction investment. The driving factor behind its construction was to access the estimated 130,000,000 USD market in Kenya. In 2013 projections, 1000 vehicles were expected to be sold (55). Africans are able to afford these vehicles due to Chinese influence in stabilizing the local economy, and the low price. Not only private citizens do business with the Chinese. As part of their “Angola Model” loans, African governments are obligated to provide processed materials to the PRC (Brown 51). Chinese companies also hire local workers in African operations, such as the construction companies mentioned earlier.

Given the resource needs of China and its citizens, dependency theory is very hard to refute. The idea of dependency theory relevant here is the core-periphery framework. Global North nations, as well as those from the Global East like the PRC, tend to exploit the states of the Global South. Core and periphery also exist within individual nations, with the ruling elite composing the former and the latter made up of everyone else. In a manner similar to state-level interactions, the ruling elite exploit the general population at the individual-level.

An interesting addendum to the realist economic argument is the idea of nationalism as a commodity in itself. For instance, one can see this in the United States with shirts bearing phrases like "Remember the Alamo" or images like the 1 World Trade Center ablaze. This also occurs in China, with powerful images like the burning of Yuming Palace and phrases like "Never forget national humiliation." Not matter what nation one examines, nationalism sells products, whether it be coffee mugs or t-shirts (Callahan 203). It can almost be said that such consumers are buying into nationalist beliefs.

The image of Chinese eating food imported from Africa, their "dragon head" SOEs managing the extraction of natural resources, and their products being sold to Africans seems very much in the colonial style. One could even draw comparisons with the old European charter companies. However, in some ways the Chinese businesses in Africa may be doing less harm than Global North MNCs.

When one looks at the involvement of Global North MNCs, they give more back to the local community, through voluntary contributions (Wiig & Kolstadt 184). By contrast, most Chinese SOEs donate only the minimum required by Angolan law, the PSAs and signature bonuses. As previously stated, both the PSAs and signature bonuses are appropriated by the Angolan government. For this reason, it is generally accepted that both funds go towards kickbacks and personal favors (185). Because there is much more local involvement by the Global North MNCs, their contributions may be simply helping the local elites, rather than the general population. The Angolan government can help those it chooses, to reward regime loyalty. Followers can attain work with the Global North MNCs and corporate taxes can benefit privileged neighborhoods. In this way, Global North MNCs will continue to support dependency theory in Africa.

China, by comparison does less harm, simply by being less active (186). Bringing in its own labor and equipment, it does not cater to local elites who could provide these same services. Any damage dealt by Chinese SOE practice in Africa is predominately political. Simply by doing business with these African governments, legitimacy is given to them from an international perspective, which in turn attracts more businesses to said country. Also, China's infrastructure development will enable the African governments to continue oppression of the peripheral citizens. Essentially China's FDI helps advance the core-periphery framework in the Global South.

Regardless of who does more harm in Africa, it is not seen in the best interest of either Global North or Chinese companies to change the status quo overly much (187). A good business environment is one that is stable, not necessarily free of graft or other forms of corruption. Both Global North and Chinese companies will continue to assist the core individuals in suppressing their peripheral populations, simply in differing ways. The Global North will contribute money allocated by the local government where it sees fit, and Chinese SOEs will give legitimacy to said governments in their high-profile transactions. The best way to describe the damage done by the respective parties, the Global North and the PRC, is equal but different. One is not necessarily worse or better as when it comes down to intent, both policies are self-serving.

To summarize, FDI given to African nations by the PRC is distinct from that of the Global North. The primary motivations for granting FDI are at once the same in the economic sense, but different from a socio-cultural perspective. Chinese SOEs do want to gain capital to support their nation, as seen from the increased investment in resource rich countries since 1992 (Buckley, et al. 511). There are also examples like the building of local factories to sell Chinese goods in Africa. The socio-cultural motivation is undeniable there as well, however. The deep-rooted belief in a Sinocentric world that comes from the idea of Tianxia is balanced against the national humiliation narrative. This creates a dualistic nationalism that is at once fiercely proud but also extremely self-aware of past subjugation. The end result is the mythos of a unique Chinese experience, that the PRC is destined to take on a role of benevolent guidance to all nations.

If one desires a truly complete picture of the situation in Angola and, by extension, all of Africa, the factor missing in this research is that of the local Angolans. Luanda is not truly representative of its general population, as established earlier. It would be interesting to see if a method to air local concerns and challenges existed in Angola. If there was even a handful of vocal groups or organizations, Angola's political environment would be vastly different from that of the PRC. Perhaps this would even speak to which benefactors have more soft power influence among Angolan citizens, those more moderate like Portugal and Brazil, or the PRC. It is significant to note that FDI in Angola is not a one horse race; in fact, Angola needs far more FDI to rebuild than the PRC could ever provide alone (Campos & Vines 22).

Just as its national mythos is dualistic in terms of Tianxia/national humiliation, the PRC's FDI and foreign policy direction is dualistic in terms of Sinocentrism/Beijing Consensus. These two factors, national exceptionalism and Global South solidarity, work together to create a new path to achieve industrialization outside of the IMF and World Bank aid track. As of this point both factors are still in play, though it is certainly possible that at some point one will overtake the other. The infrastructure and "Angola model" loans China has created in Africa could be used to boost the host country's stabilization and industrialization. These same tools could also be used to exploit natural resources and maintain regimes friendly to Beijing. How Beijing decides to utilize its economic soft power on the African continent will ultimately decide which part of Chinese mythos becomes reality.

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