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Globalization and emergent Africa-Asia dialogue: The good, the bad and the ugly

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The increasing globalization agenda of the world has deepened dialogue between African and Asian countries. The first of such dialogue was held in Phnom Penh, Cambodia between African and Asian experts and Parliamentary leaders on issues of poverty, economic growth and governance. Beneath the emergent Africa-Asia dialogue is the "rotten" animal instinct, which drives one party to use brains or brawn to take what should be (could be) the other party. China, for example, has lent $3 billion loan financing arrangement to gain secure access to the recent oil funds from the governments of Ghana just as it was provided in Brazil, Venezuela, Ecuador and Argentina who have both previously defaulted. The study explores the globalization–rich-poor dialogue nexus to investigate the good, the bad and the ugly side of it in Ghana. It then examines the implications of Ghana-China dialogue on economic growth. Together with other secondary data analyzed, it was found out that offering aid without preconditions, China –Ghana dialogue has presented an attractive alternative to conditional Western aid, and gained valuable diplomatic support to defend its international interests. However, activities of some of the Chinese companies are gradually taken the good side of the policy. The implications of China-Ghana policy dialogue is therefore a mixed blessing and that the consequences on most teething local organizations are likely to prove deleterious if laws protecting these organizations are not enforced by policy makers.

Key words: Globalization, Africa-Asia dialogue, economic growth, China, Ghana.

INTRODUCTION

As countries develop and approach industrialized nation status, inward effective dialogue between them and developed countries can significantly contribute to their further integration into the global economy by engendering and boosting foreign trade flows leading to economic growth. Apparently, several factors are at play. They include the development and strengthening of international networks of related organisations. The aim of the China-Ghana dialogue is to give China the needed platform to help Ghana develop strategies to leverage the current export explosion to create opportunities for long-term socio-economic benefits. The dialogue is also to help Ghana develop by sharing valuable experience and building much-needed capacity, and by supporting Ghana priorities on the world stage. However, African organizations are worse-off through the operations of some Chinese investors according to a careful array of economic, social and governance variables. The paper concludes with implications for Ghana's economic policies, for multilateral lending institutions, and for international and local non-governmental organizations.

Problem statement

Africans seems to have been left behind and marginalized by globalization. Capitalist globalization undeniably brought about policy dialogue between Asians and

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Table 1. Total investment, China to Ghana (2006-2011).

Year	China's investment	Total investment ($)	China's share as a % of the total investment
2006	12,156,136.59	2,317,467,010.05	0.53
2007	152,708,738.51	4,929,494,696.29	0.31
2008	11,594,447.94	3,446,828,887.71	3.36
2009	22,533,495.46	558,972,744.93	4.03
2010	95,405,323.78	1,128,960,544.36	8.50
2011	125,916,181.04	6,821,492,792.44	18.45

Source: Ghana investment promotion centre, 2012.

Africans which has helped the growth of most African economy but such dialogue has also intensified competition and collapse of most African socio-economic development. Indeed, there is both positive and negative relationship between China-Ghana policy dialogues brought by globalization.

Research question

The aforementioned problem statement led to the research question of whether there is any relationship between China-Ghana trade dialogue and the growth of the Ghanaian economy or not.

THEORETICAL FRAMEWORK

China is an important player in the global economy and is economically important for African organizations. China-Africa Business Council was established in 2005 for the purpose of strengthening organizational ties between China and Africa and ever since, there has been a series of dialogues between China and Africa (Tull, 2006). The enthusiasm of African leaders in their dialogues with Chinese government seems to suggest that Africans regard China as a solution to their problems (Chidaushe, 2007).

Policy makers sometimes jump at policies which happen to be presented to them without serious consideration of compatibility with the domestic and external conditions of the country or a review of other possibilities in solving a particular problem.

According to Chang and Cheema (2001), most policies recommended to developing countries in a particular dialogue were actually not adopted by the developed countries when they themselves were developing. On the basis of this, Wright and McMahan (1992) proposed resource- based view of the firm as a key theoretical determinant of competitive advantage for countries engaged in trade dialogues. Most Africans countries including Ghana therefore create value from Asian dialogue through its natural resources. However, these are increasingly accessible and imitable to remain merely less significant for economic growth. In contrast, China's technological know-how, organizational and human resources policies and practices alone may be an especially important source of sustained competitive advantage in any given dialogue. The distribution effects depend on how globalization processes affect the demand and supply for the different groups in a country (Wood, 1997). Studies have argued that the contribution of trade dialogue to economic growth depends on the conditions in recipient countries; e.g their trade policy stance (Balasubramanyam et al., 1996) or human resource policies. Borensztein et al (1998) posit that the effectiveness of dialogue between developed and developing country depends on the stock of human capital in the developing country. Carkovic and Levine (2005), on the other hand, used more advanced econometric techniques and argued that trade dialogue does not exert an independent effect on economic growth. Countering this view, Blonigen and Wang (2005) contend that inappropriate pooling of data from developed and developing countries was responsible for these empirical results. These opposing views show that the jury is still out on how dialogue between developed and developing countries relate to aggregate economic growth.

The above framework (Table 1 and Figure 1) indicates that Ghanaian and African organizations can benefit from technological and human resources competencies.

Both natural resources and organizational related competences significantly contribute to the extent of achieving economic growth in Ghana.

China and Ghana relationship can significantly be affected by organizational context variables (example, supply of skills and level of technological knowhow), leading to long term economic growth. Supply of skills is one of the key benefits to be derived by African organizations from Asian counterparts in any given dialogue. These skills supply for adding market needs, according to Kamoche, (2000) is an important factor to be considered by MNCs in the decision regarding foreign direct investment.

The concept of 'ubuntu' which literally translated means 'I am who I am through others' (Mbigi, 2005) forms the foundation of African management philosophy that is in tune with the peoples of Africa. Indeed, the growth of most African economy is what they are through others

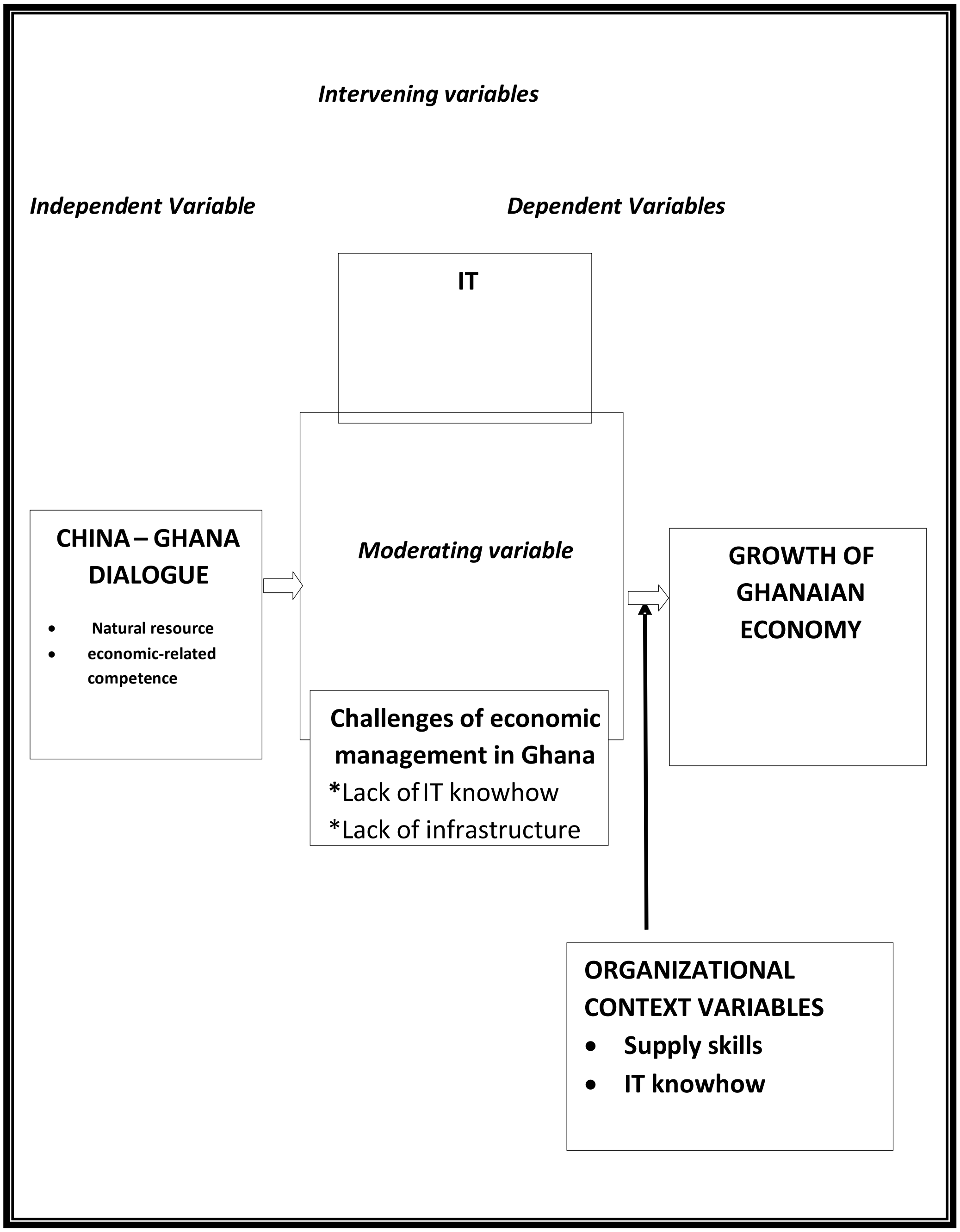

Figure 1. Theoretical framework for resources management.

such as Asians. It is therefore, argued by its proponents that *Ubuntu*, adopted as a system of management practice for competitive advantage has universal appeal beyond the shores of the continent (Mbigi, 2005; Mangaliso, 2001). Mangaliso (2001) points out that incorporating *Ubuntu* principle in management holds the promise of superior approaches to managing African economy.

China-Ghana dialogue

The aim of the China-Ghana dialogue is to give China the needed platform to help Ghana develop strategies to leverage the current export explosion to create opportunities for its economic development. The dialogue is also to help Ghana develop by sharing valuable experience and building much-needed capacity, and by supporting Ghana priorities on the world stage.

Towards this, China and Ghana leaders are fostering a culture of educational exchange between students from both continents. There are strong willingness and commitment to strengthen the collaborative relationship among China-Ghana universities to help advance greater understanding between Ghanaians and Chinese scholars and also promote experience-sharing and peer-learning between them towards the growth of Ghana's economy.

The literature on the implications of Asia – Latin America dialogue on poverty reduction has been well documented by many researchers (Chen et al., 2005; Jenkins and Edwards, 2005; Kaplinsky and Morris, 2006). None have however assessed the good, the bad and the ugly side of the China-Ghana dialogue on the socio-economic development of the developing country like Ghana. Therefore, the study deals with an important and timely issue in filling this research gap.

Lall (1992) posits that one of the major challenges facing African is physical infrastructure to support its economy. To this end, the government of China has been investing in the growth of Ghanaian economy. According to Boateng (2009) through dialogue, Ghana's old development plans that were jettisoned at the instance of development partners have been revived and executed at much lower costs by Chinese government. For example, before the Chinese came, the Bui Dam project in Ghana had been on the shelf since the 1960s, but through positive China-Ghana dialogue, Ghana and neighbouring countries like Togo and CoteD'ivoire have the needed electricity power for mass production.

China-Ghana dialogue on trade has existed for decades. Although Ghana's exports to China as a whole do not exhibit significant product diversification, its factor endowments complement that of China. Ghana, with its rich resources, has a natural comparative advantage in producing raw materials, including energy resources. On the other hand, China, with its rich supply of skilled labour, has a comparative advantage in manufactured products (Asamoah, 2011). Unfortunately, Ghana's exports to China have not yet significantly contributed to sustained, widespread Sub-Saharan African export diversification. As such, the boom in natural resource exports to China is providing only short-term benefits for African countries like Ghana (Quartey, 2006).

Collier and Dollar (2000) opine that aid money which ais given to African due to policy dialogue in most cases aimed as an incentive to influence a policy change, and for political considerations, which in many cases can be less efficient than the optimal condition.

Poor policy dialogue is often detrimental to economic growth, which happens to be a key part of poverty reduction; but it is found that such dialogues do not necessarily provide incentives for governments and organizations to change policy (Tsikata and Aryeetey, 2008).

Research by Lancaster (2007) has revealed that regardless of policies and utility, aid seems to be less efficient as per dollar in most African countries.

Research has shown that in many instances, aid is conditionally tied to political motives, rather than notions of proper policy and implementation (Dollar and Kraay, 2001). However, since the 1970s, economic objectives have overshadowed foreign aid assistance. Developed countries tend to condition Africans to buy only their products to qualify for aid. As a result of these disguised policies it was discovered that developing countries in 2002 alone made a transfer of about $200 billion to donor countries. Kofi Anann's address in 2003 at the UN said developing countries made the sixth consecutive and largest ever transfer of funds, totaling about $200 billion to "other countries" in 2002 (Boateng, 2009). These monies should rather come from Asia to Africa, but these numbers tell us the opposite is happening. "Monies that should be promoting investment and growth in African organizations are instead being transferred abroad" (Huse and Muyakwa, 2008).

Illegal mining by Chinese and its effects on Ghanaian organizations

Research conducted by the Ghana Chamber of Mines established that about 90 per cent of the foreigners are involved in illegal mining, popularly known as galamsey operations of which 74 per cent are Chinese who did not have license to operate.

It was the promulgation of the Mineral and Mines Law (PNDCL 153) that the small scale mining law, PNDCL 218, was enacted to cater for mining on small scale. The PNDCL 218 was a bold attempt to formalize small scale mining but the subsequent growth of the mining sector was accompanied by an unprecedented growth of unlicensed small scale mining.

Today, the number of galamsey operators has grown into an uncomfortable scale with the inclusion of a large number of Chinese galamsey operators using heavy equipment along the country's river beds and polluting the environment.

Galamsey activities along the Birim River in the East Akyem Municipality in the Eastern Region, for example, have polluted the river, the main source of drinking water for the people of the area (Owusu, 2012).

Since they entered into the galamsey operations, the Chinese have established a network involving local chiefs and influential people in authority, which makes it very difficult for the officials of the Environmental Protection Authority (EPA) to deal with them.

What makes it frightening is that these Chinese galamsey operators come in with heavy money and sophisticated machines such as bulldozers and excavators, which they use for their operations, eventually destroying the environment.

Things were more violent at Gbane in the Talensi-Nabdam District in the Upper West Region where there

Table 2. Breakdown of sector and cost of investment in 2006.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	2,256,392.00	2,172,780,000.00	0.10
Service	1,319,149.00	61,070,000.00	2.16
Tourism	580,869.50	15,010,000.00	3.87
Build & Const.	1,274,746.00	67,290,000.00	1.89
Export Trade	503,568.00	9,300,000.00	5.41
Agriculture	0.00	6,450,000.00	0.00
General Trade	9,267,065.59	35,940,000.00	25.78
Total	15,201,790.59	2,367,840,000.00	0.64

Source: Ghana investment promotion centre, 2012.

was a violent confrontation between the youth of the community and workers of Shaanxi Mining Company Limited, a subsidiary of the China Gold Resources Group Company Limited.

Four of the Chinese were said to be seriously injured in that confrontation, while mining equipment belonging to the firm was vandalized.

The latest reports have it that some of these illegal Chinese miners have invaded the concessions of AngloGold Ashanti at Kwanwireso, near Obuasi. Some of them are said to be heavily armed and could cause havoc to anyone trying to destabilize them (Apau, 2011; appendix 2).

Ghana-China dialogue and its effects on Ghanaian Textile organizations

Ghana's once vibrant textile industry has gradually joined the league of other countries in the sub-region, with collapsed textile and garment manufacturing sectors such as Nigeria.

From over 20 textile firms that employed more than 25,000 people in the last two decades, the country now has only four textile factories employing less than 3,000 Ghanaians (Nkrumah, 2009).

The country's once thriving textile market is now flooded with Chinese substandard textile products, therefore surging the unemployment rate (Ministry of Trade and Industry, 2011).

Currently, the four major companies that have survived the turbulence in the sector are the Akosombo Textiles Limited (ATL), Textyl Ghana Limited (GTP), and Printex; with Ghana Textile Manufacturing Company (GTMC) at an ailing stage, struggling between life and death (Nkrumah, 2009).

Cheap imports, particularly from China, have forced Ghanaian's organisations to shut down their spinning and weaving departments, while hundreds of workers employed in those units have been made redundant. The irony of the situation is that, while these cheap imports flood the Ghanaian market, the Chinese organizations also steal and imitate patents and trademarks of the local textile organizations, which are often embossed to make them look like they were manufactured and woven in Ghana. For instance, one can easily come cross a Chinese fabric making it a hot commodity on the market, due to their relatively cheaper price.

METHODOLOGY

While the existing literature uncritically adopts local anti - Chinese discourses and thus fails to unveil the good side of such activities in Ghana, the current paper provides a comparative perspective on the good, the bad and the ugly side of the commercial activities related to China trade in Ghana.

Contrasting these discourses with the empirical observations from fieldwork conducted in early 2011 in the capitals of Ghana, the paper conducted in-depth ethnographic interviews with a sample of 182 local traders in major market centres in Accra, Ghana and 53 Chinese traders, miners, as well as 10 interested groups and authorities at the Ministry of Trade and Industries. This is to help demystify discourses of Chinese business strength in Ghana.

The paper first presents the discourses and the resistances of Ghanaian merchants towards the Chinese presence before elaborating on the context in which the trade dialogue between the two countries has developed over the last 30 years. The study then critically integrated the outcome of the observations and trade statistics of Chinese merchandise in order to bring out the good, the bad and the ugly side of the Ghana-China trade dialogue.

In addition to the interviews, direct observation of Chinese activities in Ghana and various economic and business policy documents between China and Ghana from 2006 to 2011 were critically observed based on the suggestions of Amedahe (2002), after the review of the works of Best and Khan (1998) who contend that observers should recognize their biases and strive to eliminate their influence on what they report and should also note what is relevant and irrelevant to observe.

FINDINGS

The study has revealed that due to the emergent dialogue between China and Ghana, China's total investment towards the growth of the organizations and the economy at large increased steadily from 0.53 to 18.45% in Ghana over the past six years which is an opportunity for the organizations in Ghana (Table 1). However, a closer look

Table 3. Breakdown of sector and cost of investment in 2007.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	137,045,450.00	4,754,286,225.89	2.88
Service	426,501.69	48,594,748.39	0.88
Tourism	638,595.89	7,245,554.44	8.81
Build & Const.	1,500,000.00	27,901,784.64	5.38
Export Trade	0.00	2,018,955.00	0.00
Agriculture	240,000.00	30,262,277.15	0.79
General Trade	12,858,190.93	58,823,950.78	21.86
Total	152,708,738.51	650,275,893.29	23.49

Table 4. Breakdown of sector and cost of investment in 2008.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	2,114,521.28	191,305,841.05	1.16
Service	1,745,390.22	286,377,708.06	0.61
Tourism	394,330.10	2,657,043.43	14.84
Build & Const.	43,220.08	2,075,645,145.17	0.01
Export Trade	0.00	5,828,538.75	0.00
Agriculture	0.00	55,612,843.50	0.00
General Trade	7,296,986.26	819,877,682.42	0.89
Total	11,594,447.94	3,437,304,802.38	0.34

Source: Ghana investment promotion centre, 2012.

Table 5. Breakdown of sector and cost of investment in 2009.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	8,595,864.56	95,333,084.87	9.02
Service	3,248,600.00	180,174,666.68	1.80
Tourism	2,199,840.00	53,717,091.26	4.09
Build & Const.	1,667,616.54	101,611,380.26	1.64
Export Trade	0.00	1,314,942.00	0.00
Agriculture	0.00	95,154,687.68	0.00
General Trade	6,771,574.36	30,740,225.58	22.03
Total	22,483,495.46	558,046,078.33	4.03

Source: Ghana investment promotion centre, 2012.

at China's share as a percentage of total investment in manufacturing sector from 2006 to 2011 revealed a dramatic decline in 2008 which was due to Ghana's general election in that year (Figure 2).

Tables 2 to 7 show the breakdown of sector and cost of investment for projects in 2006 to 2011.

From Table 2, general trade sector recorded the largest share of investment from China (about 26% of the total share) followed by export trade with 5.41% of the total share.

Table 3 shows that China's total investment in manufacturing sector to Ghana increased from 0.10% in 2006 to 2.88% in 2007. The study has revealed that main products in this sector are production of leather, garments, shoes and machines assembling and processing of food. It is interesting to note that these manufacturing products compete with the local organizations like Akosobo Textiles Limited, Textyl Ghana Limited (GTP) and Printex which the reviewed literatures indicated are at the verge of collapsing due to the activities of some Chinese textile organizations operating in Ghana (Nkrumah, 2009). General trade sector recorded the highest share (21.86%) followed by tourism sub sector with a percentage share of 8.81. The study has revealed that trading of general goods is the main activity undertaken in the sector.

It can be deduced from Table 4 that both manufacturing and general trade sectors recorded a dramatic decline in total investment from China in 2007 to the previous year.

Table 6. Breakdown of sector and cost of investment in 2010.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	7,916,680.66	99,057,040.38	7.99
Service	10,254,017.20	530,671,704.16	1.93
Tourism	132,361.26	6,293,144.77	2.10
Build & Const.	64,410,000.00	108,878,919.75	59.16
Export Trade	1,290,184.06	18,548,984.06	6.95
Agriculture	895,540.00	297,565,133.46	0.30
General Trade	10,506,540.60	57,334,520.28	18.32
Total	95,405,323.78	1,118,349,446.86	8.53

Source: Ghana investment promotion centre, 2012.

Table 7. Breakdown of sector and cost of investment in 2011.

Sector	Chinese companies investment ($)	Total cost of investment ($)	Chinese share as a % total
Manufacturing	69,303,084.03	333,656,390.93	20.77
Service	12,347,509.73	568,794,412.52	2.17
Tourism	1,254,833.52	4,316,769.82	29.07
Build & Const.	19,475,351.67	5,276,309,599.07	0.37
Export Trade	1,110,000.00	8,349,674.08	13.30
Agriculture	172,782.00	509,963,453.20	0.03
General Trade	13,076,620.09	93,603,856.82	13.97
Total	116,740,181.04	6,794,994,156.44	1.72

Source: Ghana investment promotion centre, 2012.

Again tourism sector received highest share of about 15%.

In 2009, China's investment in Ghana increased by $2 million. The highest share of about 22% went to the general trade sub sector (Figure 3).

China's percentage share of total investment in building and construction sector increased dramatically in 2010 (Table 6). Chinese business activities in Ghana is said to have amounted to $2.5 billion in the first three quarters of 2011 (Figure 2) (GIPC, 2012).

China's trade investment in the country is expected to rise to $4.5 billion by the close of the year, 2012, representing an increase of 50% of the previous year 2011 (GIPC, 2012).

The study finds that volume of direct trade of the China Hubei Province alone with Ghana amounted to $34.4 million between January and October 2011, doubling the volume for last year (GIPC, 2012).

The good, the bad and the ugly side of China-Ghana dialogue on Ghana's economy

Not every African is singing a lyrical ballad to the Chinese presence; however some respondents during the interview expressed their views on the implications of China-Ghana dialogue by offering a lachrymal paean. "Chinese exports provide cheaper access to more goods and services. This is good for the well-being of the people; in the long-term this is bad for Africa because it destroys local manufacturing capabilities and competitiveness.

Ex-president of the Republic of Ghana, Mr. John Kufuor has praised organizations in China for their developmental help to African economic growth. However, concern was expressed about Chinese labour deployment in Africa, which limits opportunities for the transfer of skills and technology in African organizations.

The worst offenders are the Chinese companies who draw their arrogance from their home governments' grant given to Ghana and dismiss workers who would initiate moves to form trade unions in their companies

Chinese manufacturing organizations operating in Ghana lobbied to import cement into Ghana under the pretence that the cost of importation is cheaper than the prevailing cost of cement in Ghana and according to Tsikata and Aryeetey (2008) if allowed, such a move would kill the local cement industry, and workers in that sectors would go on redundancy which would worsen the unemployment problem and affect the nation's foreign exchange position.

The critical need for minerals by Chinese in order to sustain its high economic growth rate has increasingly

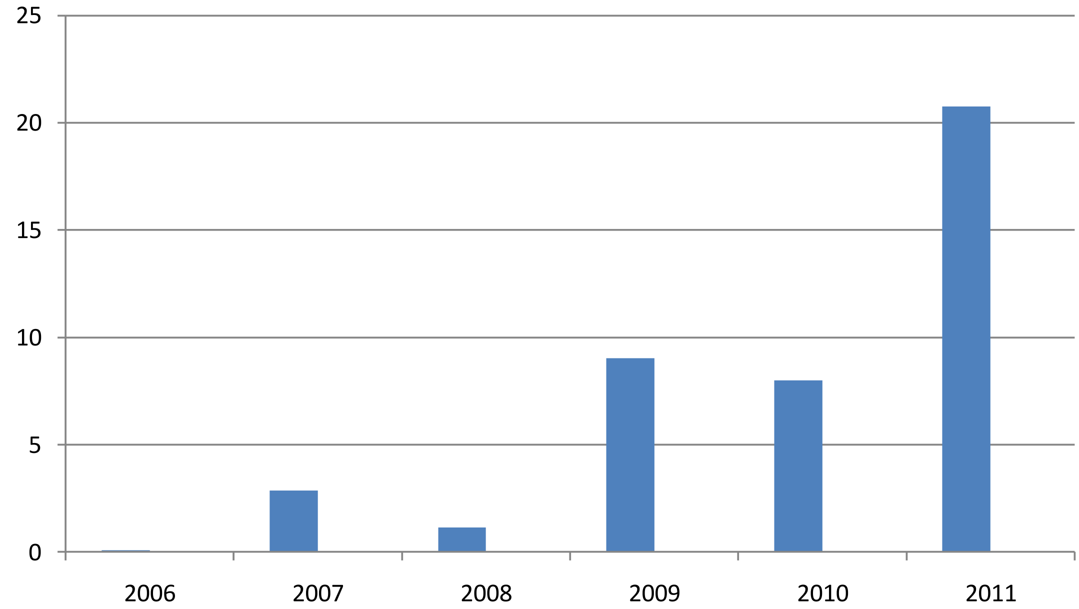

Figure 2. Chain share on a percentage of the total investment in manufacturing sector (2006-2011). Source: Authors' Field Work, 2012.

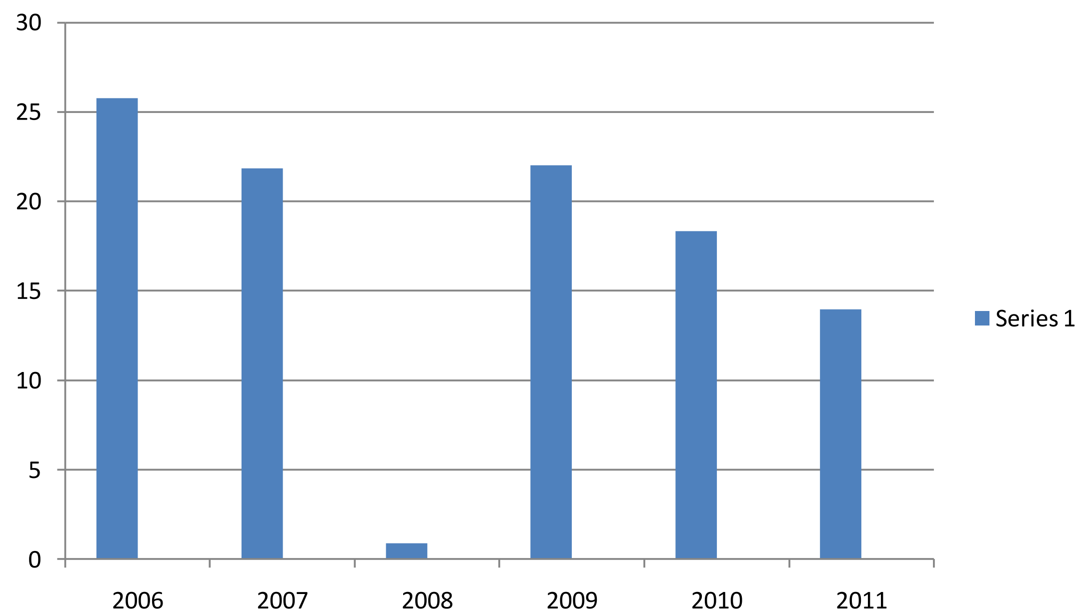

Figure 3. Chain share as a percentage of the total investment in general trade sector (2006-2011). Source: Authors' Field Work, 2012.

turned Chinese investors towards Ghana. This demand has propelled China into third place among Ghanaian investors, directing over $15 billion (about 9% of total FDI) to the region in 2010 (ECLAC 2011).

Over 90% of this investment has been targeted towards extractive industries. China's voracious appetite for minerals investment is often seen as a boon to the Ghanaian economy. This also serves as an opportunity to diversify away from reliance on traditional markets (Burnside and David, 2000). Another good side of this recent China-Ghana trade dialogue is an opportunity for a country like Ghana that needs capital and technology to have a steady and ready source of funds.

Another good side of China-Ghana trade dialogue is that, Chinese investors like any other investor, are made to pay a minimum equity contribution of 10,000 USD in joint ventures, and 50,000 USD for wholly owned company (Wing-Gar and Xiao, 2011). Trading companies, whether partly or fully foreign‐owned, require a minimum foreign equity of 300,000 USD and must employ at least ten Ghanaian workers (ibid.). In 1995, Ghana became member of the WTO, which further simplified the import procedures, making the various Asian commodity hubs, including China, more feasible supply sources for African importers (Darkwah, 2007).

Empirical study has revealed that there is a significant positive impact of trade terms on industrial growth leading to significant economic growth in African countries like Ghana (Asmat et al., 2012). Thus, since the first wave of China's political opening in the late 1970s, individual African businessmen have slowly started to stock up in China as a strategy to obtain commodities at better prices than in Europe (Hu, 2006).

The current paper has revealed that Ghanaian traders had also started going to Dubai by the early 1990s but did not regularly stop-over in Mecca. Rather, their decision to turn away from their earlier European supply sources, especially Italy, was justified by concerns about their customers' growing price consciousness (interview No. 2 on 31 January 2012 in Accra). Some Chinese, traders further stated that, Ghana became a preferred commodity hub for them as it allowed and still allows traders to shop in broader quality ranges, allegedly aimed at the European market (interview No. 7 and 9 on 20 March, 2012 in Accra).

Conversely, findings by Nadi (interviews conducted by Nadi in October 2010 and March 2011) suggest that successful and established African traders also switched from "Euro‐American" supply sources to Chinese ones after realizing that those suppliers themselves import from China, merely claiming that their commodities were superior in quality.

Besides these ulterior marketing strategies which justify higher prices in the Asian supply centers outside of China with an assumed difference in quality it is with diverse considerations in mind that wholesalers choose the place to buy their stock. In general, traders choose their commodity source according to experiences in the past, the availability of contacts, and the range of commodities and available options for personalization. Yiwu and Guangzhou, with their direct connections and proximity to the producers, offer the greatest range of personalization options (interview No. 19 on 14 March 2012 in Accra).

The high level of responsibility involved in the work of the agent may explain why traders have a preference for agents of their own nationality. As Darkwah notes for the transient nationalistic networks of Ghanaians in Asia, the members of the Ghanaian community in these foreign towns often share similar experiences as migrants, the community is often quite closely knit. As such, it is almost impossible for any one of these migrants who work for the transnational traders to abscond with monies given them (Darkwah, 2007: 213). However, the good side of this trade dialogue is being out shadowed by bad news since the social, environmental and economic framework within which Chinese traders in the country operations are different from and inferior to the best-practice standards in Ghana.

The bad

If one sets foot into any of the mining areas and market centres in Ghana these days, rumors about Chinese encroachments and invasions are buzzing from all angles. Interest groups and social networks of traders in Ghana propagate claims, in increasingly aggressive tones, of existential threats caused by the business activities of Chinese migrants. The high visibility of the Chinese migrants and of Chinese commodities sparked an intensive circulation of obviously biased tales. The most prominent rumor circulating the Ghanaian market was the suspected sale of Accra's heart of economic activities, the Makola Market, to a Chinese investor.

In view of earlier anecdotes of Ghanaian store owners whose running rental contracts had been cancelled due to substantially higher bids from prospective Chinese tenants, this rumor transported an existential anxiety across different interest groups.

Ghana Union of Traders' Associations (GUTA) acts as an umbrella organization of the numerous commodity associations in the country. In 2005 and 2007, GUTA organized a series of demonstrations "against foreigners, particularly the Chinese, from taking over the retail business" (Debrah, 2012) in which they also called for a review of the Ghana Investment Act. Established in 1994 to protect the retailers, GUTA argued, the act did not fulfill its mission, because foreigners freely entered the retail business, resulting in "unfair" competition characterized by advantageous exchange and interest rates (interview No. 8 on 03 February 2011 in Accra). Additionally, GUTA affiliates claimed, the influx of foreign goods represented a threat to autochthonous manufacturers, the tax system, and, last but not least, state security.

The ugly

The ugly side of Chinese presence in Ghana includes the shooting and killing Ghanaian traders in most mining areas by illegal Chinese mining operators (Appendix 2). These have resulted in the deportation of four thousand five hundred and ninety-two (4,592) Chinese illegal immigrants between June and July 2013 (Fuseini, 2013).

Depletion of environment

The Chinese have attracted heavy criticism from

Ghanaians for taking local jobs, wielding weapons such as AK-47 rifles, and polluting lakes and rivers.

"*This illegal gold mining was compromising the environment. It was compromising the security of this country. It had a lot of social consequences and the government was losing a lot of resource revenue" (Fuseini, 2013).*

The paper has revealed that Ghanaians are exposed to resource curse practices of illicit payments, graft, and corruption, plus poor workers' treatment and lax environmental standards as a result of the presence of Chinese at the various mining, oil and market centres in Ghana.

Conclusion

This study aimed at contributing to the current discourse on the impact of China-Ghana dialogue on the growth and performance of organizations in Ghana especially in terms of emerging challenges from developing countries perspective. It has been observed that organizations, by and large, have achieved relatively high levels of effectiveness as a result of relationship between the two countries. However, there has been some major concern with regards to the operations of some Chinese' organizations activities in the country.

RECOMMENDATIONS

In-as-much as China-Ghana dialogue has been helping Ghana improve its economy, it should be noted that, investment from Chinese companies is not the only thing Ghana needs. The leadership of Ghana should improve their operations by establishing and institutionalizing endogenous leadership and management systems, without which they can be operated in an environment where there is an effective Asia-Africa dialogue and receive all the FDI it needs and can get, but could still not improve its operations and compete on a global scale. African organizations should therefore focus on improving their management and organisational structure so that waste of resources could be avoided to attract more support from Chinese government. African leaders should also focus on training their employees to bring the right attitude on board in the development of the organization and increase productivity to increase their contribution for GDP growth.

Towards this, China and Ghana leaders should foster culture of educational exchange between students from both continents. There should be a strong willingness and commitment to strengthen the collaborative relationship among China-Ghana universities to help advance greater understanding between Ghanaians and Chinese scholars and also promote experience-sharing and peer-learning between them towards the growth of Ghana's organisations.

Chinese companies must not only focus on getting natural resources and finding markets for their products, but also respect labour laws, environmental protection laws, trade and investment laws and the local interests of host countries. By this, measures should be put in place to guide the activities of Chinese organizations in Ghana.

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APPENDIX 1: Picture of two illegal Chinese miners heavily armed at AngloGold Ashanti, Ghana.

APPENDIX 2. Pictures of two Ghanaian land guards shot dead by Chinese illegal miners at Obuasi, Ghana.