

## 10 African migrations, work, and new entrepreneurs

### The construction of African trading-posts in Asia

*Sylvie Bredeloup*

To many observers, it appears that African businessmen only started to come to mainland China to buy directly from the source some ten years ago. According to my own investigations, however, it seems that older and more discreet dynamics were established in the mid-1980s in other countries in Asia. This chapter will take into account empirical data collected between 2005 and 2009. Observations, interviews, and discussions of life stories were carried out in Bangkok, Dubai, Hong Kong, and Guangzhou, as well as in West Africa (Bamako, Dakar, Praia, and Ouagadougou). First, I will explain the concept of the African trading post, and study how traders weave ties between Dubai, Kuala Lumpur, Bangkok, Hong Kong, and Guangzhou to reinforce their networks. I will try to understand how they contribute to the building of marketplaces from the Middle East to Asia and how they leave one and invest in another. Second, I will highlight the different figures of African migrants in Asian towns who run and drive these trading posts. I consider traders to be different from itinerant salespeople. The first have stayed in Asia and become long-term residents while the second can be considered a floating population. In a final step, I will look at the practices that the African migrants are developing when migration policies harden, when urban renewal operations question their presence, and finally when the competition increases.

#### What is the African trading post in Asia?

##### *A combination of the emporion and Zongo*

The trading post is a combination of the Greek colony and the *Zongo*. The Greek colony or *emporion* was set up by foreigners whereas the *Zongo* was created for the attention of foreigners. These two organizations are based on an agreement between producers and sellers. Settled by the colonist, the *emporion* is structured around a port and works in a foreign enclave and is built in close collaboration with the hinterland. On the one hand, the antique trading post's main objective is to sell goods produced on the colonized land and circulate them (see Braudel's work or more recently Tarrus's work). On the other hand, the *Zongo*, which is located in some cities in the countries of sub-Saharan Africa (Togo, Benin,

Ghana, Nigeria), aims to accommodate the original temporary foreign Muslim merchants, carrying goods over long distances. Initially the *Zongo* was a rest area for itinerant merchants. By extension, it became the area reserved for foreigners, and gradually it became open to craftsmen, workmen, and merchants (see Cohen, 1969; Agier, 1983).

Like the *Zongo*, the trading post cannot be regarded as an enclave because it is visited by an increasingly mixed population and integrates citizens from the host country.

##### *A selling process with two underlying economic logics*

Two economic logics explain the emergence of the African trading post in Asia, although they have merged into the same selling process. Initially, in the middle of the 1980s, precious stones were the basis of a trade network between Africa and Asia. Gems allowed the Africans, essentially Malian and Guinean traders, to gain a foothold in Asian cities. They continue as intermediaries to source precious and semi-precious stones in Africa (Nigeria, Mozambique, Zimbabwe, Zambia, Democratic Republic of Congo, Madagascar, South Africa, and so on) that they sell in Bangkok or in jewel fairs (in Hong Kong, Shenzhen, and Guangzhou) to an international clientele. From these posts, some of them have tried to canvass safer markets.

More recently, the other logic has led the African traders, who until then had moved from Africa to Dubai, to go right to the very source of the supply chain back in China's Special Economic Zones.

Dubai is the world re-exportation platform for Asian and specifically Chinese goods. Among people from Africa, Nigerians were the first to move their places of production to reduce costs by decreasing intermediate expenses. So the African tradesmen move from one marketplace to another, depending on the comparative advantages that they encounter here and there: large-scale harbor and airport facilities, adapted hotel equipment, connection to a hub of successful enterprises in the hinterland, and local hospitality. They also take into account the migration policies applied by the different states.

##### *Dubai, Bangkok, Hong Kong, and Guangzhou: a combination of marketplaces*

At first, Dubai was the major marketplace, offering attractive prices, goods from everywhere, cheap warehouses, a logistical hub for international level, excellent air connections with the world (after Tokyo, Dubai is the second airport in the world for the number of transit passengers), a system of well-organized free zones, and a variety of cheap hotels. African people would go to Dubai to purchase goods, coming from mainland China or India.

Deira District, in the old city, is the main place in Dubai where one would find African traders and African visitors. The African traders set up offices, shipping, cargo agencies; they are also the managers of several hotels, which

welcome the second, the African visitors. But in Dubai there is not the African concentration one finds in Bangkok, Hong Kong, or Guangzhou. It is less visible, even though some hotels welcome many African visitors. African traders are scattered among the streets of the old town. Business is conducted in small, old buildings with three to four floors, located in the narrow streets of Deira District, not far from the Gold Souk. The visitors move on foot in the stores. There is a sense of a juxtaposition of national communities in this business district. Each nationality seems to have its preferences or habits, staying at specific hotels and using a special agent who organizes their trip.

Bangkok is another African trading post that seems to be a withdrawal place. A significant number of traders of semi-precious stones have permanently settled with their families in Bangkok, in Bangrak district, in or near the Royal Plaza Building. There are about 250 families from Guinea here and about 800 African children are registered at a neighborhood primary school. They arrived in the mid-1980s when it became too difficult for them to go to Europe, especially to Germany, to sell their stones because of the hardening of European migration policies. At that time, it was easier to obtain visas for Thailand. In Thailand, there were ruby mines in Chandhaburi which are now spent, but Thai craftsmen have retained an absolute mastery of stoking and cutting the stones.

Later, other Africans, or the same, who had merely changed their business, set up trading posts in another area in the center of Bangkok, called Sukhumvit district. Sukhumvit is a tourist and cosmopolitan district with high-rise apartments, fashionable restaurants, bars, and nightclubs. Western tourists and also, since the events of September 11, 2001, tourists from Arabic countries come for holidays; they spend freely, eat Arabic food, look for leisure, and so on.

African traders prospered in the mid-1980s when industry boomed; they visited local factories to have cosmetic and textiles for the African market, as well as the European or American markets. At the beginning of the 1990s, textiles accounted for 13 percent of Thai exports. Famous brands like Levi Strauss ordered textiles; a lot of workshops copied models. Thailand was seen as an open country, while Jakarta in Indonesia was considered a secondary market. In Jakarta, African traders purchased their supplies of synthetic fabrics. But in 1998, foreign merchants were chased out of Jakarta. From 1997 the region was affected by the economic crisis in Southeast Asia.

At that time, African traders left for Hong Kong, which had become the gateway to mainland China. According to a definition given by Saskia Sassen (1991), it is a global city with large infrastructure by air and by sea. For instance, in 2003 South Africa Airways ended its Africa to Bangkok route to open others to Hong Kong. Hong Kong has become an important hub. African traders set up in Chungking Mansions, which are located in Kowloon. This place is strongly stigmatized in tourist guides and in the local press and it is considered to be one of the least safe areas in Hong Kong. Several hundred African people reside or do business in this 17-story building. According to Adams Bodo (2007), this place is a real "African tower of Babel" because several hundred clients from the four corners of Africa come to stock up every week on cheap products.

Since mainland China opened its door, entering the World Trade Organization in December 2001, African traders have been coming to Guangzhou by train from Hong Kong. They have grabbed this new opportunity to set up an office in the Chinese city while sometimes keeping their Thai or Hong Kong branches. In Guangzhou and the surrounding area, there are 900 wholesale markets. The province of Guangdong is the center of the manufacturing industry; it represents more than 30 percent of annual national exports and one-third of exports are transacted during the well-known Guangzhou Fair.

African traders settled in two neighboring areas. We may observe a kind of partition. On one side, Nigerian and Liberian people stay in Sanyuanli area, which is located around the central railway station, in the Baiyun district. In this area, the Canaan market is well known for clothes and jeans. On the other side, mainly Malians, Guineans, and Congolese traders set up in Xiaobeilu area, in the Yuexiu district. It is a strategic site near one of the two fairs, in the northwest, in an island of towers along the Huanshi Middle Road, a great circle line. Xiaobeilu has been renamed "Little Africa" or "Chocolate City" by taxi drivers or Chinese citizens whose neighborhoods cater to African people. There are African restaurants, bars with African music, and posters in the surrounding streets advertise the African businesses.

At first, Africans stayed at the Tianxiu Building, a modern 35-story building which is devoted to African sellers and buyers. On the ground floor, there are some cafes which have become meeting points for the merchants. You can also find travel agencies and other facilities for the traders. On the four lower floors, there are almost 350 shops offering samples of goods, exportable especially to Africa. The exhibitors are mainly Chinese, but you can also meet African exhibitors. On the upper floors, in large apartments transformed into office and sales space, you can find everything from electric toothbrushes to hi-fi equipment.

Tianxiu Building was recently renamed "African Tower" a few years ago, having been dubbed "Yemen Building" in reference to its previous Arab occupants. In 2006, 70 percent of the 600 offices in this building were rented to African and Middle Eastern nationals. We always can find some footprints in the public space of this Arabic investment. Being afraid of the establishment of an ethnic enclave caused by the influx of new African traders, the local authorities took drastic measures aimed at dispersing them in the city. So the occupation rate of the Tianxiu Building declined in favor of other malls as well as Tao Ci Mansion, JinShan Elephant Trade Mall, and Oversea Trading Mall, set up in the neighboring towers (Xiushan, Guolong, Yisheng Buildings, etc.).

Thus the arrival of successive waves of Arab and sub-Saharan traders in Guangzhou leads to requestion the process described by sociologists of the Chicago School on multi-ethnic coexistence in the city. We observe there is a handover from Arab to sub-Saharan migrants. Significantly fewer African traders gain access to commercial and residential areas used by Arab businessmen but only after a time lag of some years.

In Guangzhou, Africans are visible even if their number is not very significant. First, it is difficult to hold accurate censuses due to the very heterogeneous

estimates that were produced with separate categories. According to Chinese researchers, there were just over 1,000 African traders to Guangzhou for nearly 32,000 African visitors identified in hostels and restaurants in the city (Li *et al.*, 2007). Both the Malian and Nigerian communities are more numerous as well as the trading market. According to the Malian Embassy, the number of regular Malian residents a few years ago was about 400. Nigerians are estimated at somewhere between 5,000 and 7,000. In 2008, the Congolese community consisted of 1,500 people who may be traders, businessmen, travelers, soccer players, or diplomats. According to our informants, nearly half of the Africans who had settled in Guangzhou and the surrounding area left the region in 2008 because of repeated checks on visas.

Downstream of these trading posts, there are outposts in Africa from which the bonded goods manufactured in factories for a mainly African clientele can be moved to the most remote areas. Consequently, some well-established African traders have set up bonded relays in Lomé (Togo) as well as Nairobi (Kenya), which is also a key air hub for African traders who travel to Asia.

### **Who are the African migrants who live in Asia? Who are those who work at the trading posts?**

For a long time, the African student was the main figure of the black African migrant in mainland China. There were some cooperation between China and communist countries in Africa (Malia, Benin, Guinea). Some 18,000 Africans have been educated in China's universities since the 1950s. Today, most Africans in China are businessmen, like the migrants from other Asian countries.

### ***The figures of hospitality workers and intermediaries***

In the model of the African trading post, it is the anchoring of some traders in strategic marketplaces negotiated with the host country that allows the business trip and the free movement of many visitors. The trading post supposes that sedentary traders are the new bridgeheads of sub-Saharan migration to Asia. They adapt to the reception conditions. In a word they make the administrative steps of itinerant merchants easier. A parallel can be drawn between the African traders' status in Asia and the figure of the *njaatigue* in precolonial Africa. The *njaatigue* (in the *bambara* language), who was both the landlord and an intermediary, provided lodging to and representation for the long-distance African Muslim merchants before the political authorities. He also became a guarantor among buyers and sellers and, sometimes, took on the responsibility for book-keeping for some merchants or carried out translating duties. Trust and obligations depend on patterns of kinship, which are themselves exacerbated by Islam's precepts. This landlord system of trade in West Africa was associated with long-distance North African Muslim traders (Cohen, 1969).

In Asia, African traders constantly adapt to consumer demand, directly canvassing factories to come up with new products that are better suited to their

home clientele. The traders are able to set up offices with or without a frontman because on the one hand, they have obtained either a working visa or a long-term residence permit. And on the other hand, their offices are recognized by the Chinese authorities after they transfer to the Guangzhou branch what was located in their home country or in a third country (such as Thailand or Indonesia). In Dubai, African traders had to stay for a long time in the Emirates, learning then teaching Islamic laws before being allowed to start a business. When their compatriots encounter difficulties with Thai, Dubai, or Chinese authorities, perhaps because of their illegal situation, the African trader plays the role of consul.

African traders also take control of the transport logistics chain and carries out the interface between suppliers and vendors. They offer a broad range of services (bargaining, warehousing, transit, customs clearance, interpretation, NICT, and so on) to clients. It is in Dubai where the range of services is the most complete, also including airport reception, visas, hotel booking, and guide/interpreter, and air cargo. Moreover, the trader establishes branches in African capitals like Lomé, Nairobi, Addis Ababa, Abidjan, Brazzaville, or Libreville for those who cannot or no longer go to Asia. Some of them also set up branches in Europe (for example, in Paris, Porto, or Valencia).

These African traders play an intermediary economic role such as the "middlemen minorities" discussed by Bonacich (1973): residential segregation, lack of political involvement. They tend to act as sojourners without planning to settle permanently. Nevertheless if African traders succeed in linking up producers with traveling sellers, their situation is fragile. They cannot reinforce their position as middlemen minorities in Asian societies where there is a strong labor market division. In Dubai, for example, they can be expelled at any time even if the legislation is favorable to investment.

### ***Several generations of traders***

Several generations work together. The oldest came from Malia and Guinea at first, often both illiterate and polyglot. They have progressively built their businesses and have often worked in the precious stones trade, before focusing on import/export. In Dubai, old traders have another profile: because of labor legislation in the Emirates, foreigners are subject to the *Kafala* system, or sponsorship. They are placed under the authority and protection of a *kafil*, an Emirati citizen who, in exchange, operates a debit on their incomes. So, African traders based in Dubai started as students, following an Islamic law program in the Emirates. Then they have worked as lawyers or as police officers in Dubai before embarking on international trade and going through a frontman. The youngest from West or Central Africa arrived in China later; the majority of them have done higher studies or professional training outside their own country, before launching into international trade. Other traders have also completed MBAs obtained in Africa or in Canada, with graduate studies in China.

Porosity, mobility, and diversity characterize African migrants' status in the trading posts. Old traveling salesmen convert back to being traders after a few

years' activity. Or, conversely, traders abandon their offices; preferring to limit their fixed costs, they launch themselves back into the itinerant trade.

### *Visitors and adventurers*

The traveling salesman is characterized by his constant travel back and forth between Africa and Asia. Sometimes, he is renamed visitor or commuter. It is movement that allows him to keep his role in this set. A traveler from Benin explained that moving to China six times a year does not prevent him from regularly traveling to Bangkok to source fabric and wax copies. Nevertheless, their business visas allow them to stay for up to three months. Among the visitors, some are "circulating merchants" consolidating the shuttle between the Asian trading posts and the African markets. Others are businesspeople placing their orders directly from their companies located in Africa, Europe, or the United States. These latter have got used to the range of products offered by the traders, either during an initial prospecting trip or from the networks set up by these same traders in several African countries.

Even if the trader's clientele remains African and male, women are being increasingly represented. Located just as much in Europe (Paris, Marseilles, Las Palmas) as in Africa (Bamako, Dakar, Cotonou, Lusaka), these African businesswomen have diversified profiles: single, married, divorced, or retired. They are forsaking in ever-greater numbers the trading post of Dubai to come to source their supplies in the other Asian markets. Some of them shifted their supply channels, for instance in costume jewelry, for ten years, leaving the United States in favor of China. Overall, the last two years have witnessed the arrival of East African saleswomen.

In recent years, we observe a new category of migrants: the adventurers. This group gathers people who venture in Asia with a view to reaching Europe or the United States. Some rely on their language or sporting skills. From 2002 to 2004, they came from Nigeria, Cameroon, or the Congo but since then the sports industry "circuit" has dried up.

Still others make use of trickery and fraud to take advantage of their temporary presence in Bangkok or in Guangzhou, hoping for a hypothetical departure to the West. For them, Bangkok or Guangzhou is a transit place, a default destination. Those that do not realize their plans remain in groups and wander in public spaces, making their differences salient. They perceive themselves as adventurers "seeking life," whereas they are seen locally as loiterers.

### **How does the trading post change?**

With new restrictive laws in China, some African visitors have begun to return to Dubai. Chinese salesmen adapt their strategies to these changes in offering new services in Dubai. Recently, a large Chinese mall called Dragon Mart was built in Dubai's surroundings in order to sell Chinese products. Even in Deira District, a lot of young Chinese have recently set up shop. Coming from Yiwu,

Shanghai, or Shenzhen, they are sales representatives for Chinese factories. Additionally, during the China Sourcing Fair in June 2009, 200 Chinese enterprises from Yiwu were represented in Dubai.

Today, even if some African traders have left Guangzhou to come back to Bangkok, it was a transitional withdrawal. The Thai trading post has become fragile. There are only about 20 West African traders, mainly Malians, who keep their trading agencies and there are fewer and fewer African visitors in Bangkok. Moreover, in Sukhumvit district, the rents have become very high because of the new modern buildings.

What future for Chungking Mansions? In Hong Kong the population density remains one of the highest in the world. The pressure on land compels policies of urban renewal to be implemented. Some neighboring buildings have already been rehabilitated in order to build the "city of tomorrow," according to the advertisements. So the level of degradation of Chungking Mansions is such that demolition is the only possible option (Bertoncello and Bredeloup, 2007). This raises the question of the future of the foreign merchants. Will they have the means to keep up their business in a renovated building? Or will they be able to go to other places?

In Guangzhou, the African community is also at a breaking point. Its numbers are down. Business is suffering because of the rising cost of goods and currency inflation. First, the Chinese real estate companies are becoming increasingly reluctant to rent their premises out to African traders. The building of a new metro station in Xiaobeilu augurs a greater densification of the zone, in particular the renovation of the older part currently occupied by small hotels and restaurants. Second, following the new government measures on visas, some Africans decided to leave town. They have returned to their families back home or continued on to Yiwu in Zhejian District. Yiwu is now considered the largest export center of daily consumer goods in the world. Others have pulled back to Bangkok, and some have even ventured to Vietnam, India, or Japan, aware of the deteriorating working conditions in China (Bertoncello *et al.*, 2009). Similarly, visitors are being forced to return to their home countries for visa renewal because they did not have enough time to conclude their business. Until the spring of 2008 they could achieve this by moving on to Hong Kong or Macao. Now it is forbidden.

In China, the latest arrivals are facing saturation of the labor market. The remaining niches are very limited and Africans have to perform the most precarious, dangerous, and borderline illegal activities. They struggle to be at the interface between Chinese factories and African travelers. But today, Chinese intermediaries have progressively gained control this niche, which was previously largely held by Africans awaiting the opening of an office.

In contrast to Bangkok and Hong Kong, in Guangzhou nationals invest in the African business places and stand out as middlemen, directly representing the Chinese factories next to the visitors.

## Conclusion

African trading posts are under threat. The most powerful African traders know that in the long term their future is compromised even if their trading agencies seem stable. Their room for maneuver is reduced due to the entrance into competition by the Chinese, for instance, for these promising gaps in the market, according to the greater real estate pressures locally and of the hardening of the migration policies.

The best advised Africans, therefore, are simply trying to earn time. They canvass elsewhere in Asia and increase their efforts toward their governments to organize their return home. As for the poor, they go on their way to less stringent places, erecting spatial mobility, inside the city and between the cities, following a strategy of survival.

## Bibliography

- Agier, Michel, 1983, *Commerce et sociabilité: Les négociants soudanais du quartier zongo de Lomé (Togo)*, Paris: Orstom.
- Bertoncello, B. and S. Bredeloup, 2007, "The emergence of new African 'trading posts' in Hong Kong and Guangzhou," *China Perspective*, 218: 94–105.
- Bertoncello, B., S. Bredeloup, and O. Pliez, 2009, "Hong Kong, Guangzhou, Yiwu: de nouveaux comptoirs africains en Chine," *Critique internationale*, 44: 105–120.
- Bodomo, Adams B., 2007, "The Emergence of African Communities in Hong Kong and Mainland China," *Stanford Africa Table*, May 23.
- Bonacich, Edna, 1973, "A theory of middleman minorities," *American Sociological Review*, 38 (5): 583–594.
- Braudel, Fernand, 1949, *La Méditerranée et le monde méditerranéen à l'époque de Philippe II*, 2 vols., Paris: Colin.
- Bredeloup, S., 2008, "L'aventurier, une figure de la migration africaine," *Cahiers internationaux de Sociologie*, 125 (2): 281–306.
- Cohen, Abner, 1969, *Custom and Politics in Urban Africa: A Study of Hausa Migrants in Yoruba Towns*, London: Routledge & Kegan Paul.
- Li Zhigang, Xue Desheng, Michael Lyons, and Alison Brown, 2007, "Ethnic Enclave of Transnational Migrants in Guangzhou: A Case Study of Xiaobei," *International Conference on China's Urban Land and Housing in the 21st Century*, December 13–15, Hong Kong.
- Lin Yu, 2006, "Yiwu: le carrefour du *made in China*," *Outremer*, 15 (Puissance Chine?): 187–193.
- Sassen, Saskia, 1991, *The Global City: New York, London, Tokyo*, Princeton, NJ: Princeton University Press.
- Tarrius, Alain, 1995, "Naissance d'une colonie: un comptoir commercial à Marseille," *Revue Européenne des Migrations Internationales*, 11: 21–52.

## Part IV

# Chinese migrants outside China and transnational spaces

Bredeloup Sylvie. (2012)

African migrations, work and new entrepreneurs : the construction of african trading posts in Asia

In : Peilin L. (ed.), Roulleau-Berger L. (ed.)  
China's internal and international migration

Oxford (GBR) ; New York : Routledge ;  
Routledge, 202-210. (China Policy Series).  
ISBN 978-0-415-53221-1