

Abstract

When the OECD Development Centre launched research in 2005 to document the economic, political and social impacts of China's and India's economic growth on sub-Saharan African (SSA) countries, the arrival (or resurgence) of new important players had triggered concerns among traditional donors. Accusations ran from free riding on Western debt relief over violation of governance standards and unfair company competition to fragmentation of aid delivery. At the same time, there was a tendency to neglect the diversity of SSA in terms of resource endowments, trade links and industrial development. It was time then to promote African voices from various backgrounds to reflect Africa's heterogeneity. The introductory section presents a summary of findings about the economic impact of the two Asian giants in SSA countries by Africa-based economists, with three practical conclusions. First, African countries should favor strategies that minimize areas of direct competition with the Asian giants. Second, industrialization strategies are required to exploit opportunities complementary to the Asian development path. Third, sectors of mutual interest should be identified in order to develop long-term views on how to cooperate with China and India and these views should be mainstreamed into national development plans.