Sino-African Economic Ties and Democracy

A quantitative cross-country study

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Abstract

This study is set to provide quantitative evidence on the effect of China's growing economic presence on democracy in Africa, with a special focus on the role of trade and FDI, because most of the literature has focused on the role of aid, even though the increase in trade and FDI has been much more prominent in the 2000s. On the basis of a quantitative cross-country analysis, the study attempts to answer the research question *'does the increasing economic dependence on China influence democratisation in Africa?'*. Additional subset analyses and the literature are utilized to further examine the patterns and nature of the potential relationships. The quantitative analysis is conducted by running regressions on time series data on democratization, trade, FDI stocks, and socio-economic development. The findings of the analysis suggest that the increasing economic dependence on China *does not* have an unequivocally negative influence on democracy in Africa as a whole. Instead, the results suggest a high degree of complexity**:** the influence of the Chinese economic engagement seems to depend on, among others, the type of the commercial relationship, the initial level of democracy, the level of socio-economic development and the size of the partner country's economy.

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List of abbreviations

BRI	Belt and Road Initiative
FDI	Foreign direct investment
FOCAC	Forum on China-Africa Cooperation
GDP	Gross domestic product
HDI	Human Development Index
RQ	Research question
SOE	State-owned enterprise
SME	Small and medium-sized enterprises

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1. Introduction

The purpose of this study is to find out whether the increasing economic involvement of China in Africa influences patterns of democratization in Africa. The issue is of great importance, because the trade relations between China and Africa have grown rapidly since the 1990s, and since 2008 (source?) China is the single largest trade partner of Africa. Most African countries are formally democracies, but many of them have not been successful in sustaining the democracy in the long run, and many African countries are characterized by some sort of authoritarianism, even though formal elections take place. Western countries have used different measures to try to spur democratization in Africa, but many scholars suggest that China's increasing economic influence in Africa is undermining these processes by weakening the Western leverage in the continent.

This study is set to provide quantitative evidence regarding China's growing economic importance in Africa with a special focus on the role of trade and FDI, because most of the literature has focused on the role of aid, although the increase in trade and FDI in the 2000s has been much more prominent. Thus, on the basis of a quantitative cross-country analysis, the study attempts to answer the research question *'does the increasing economic dependence on China influence democratisation in Africa?'*. The quantitative analysis is conducted by running regressions on time series data on democratization, trade, FDI stocks and socio-economic development. A hypothesis based on the theoretical framework of the study, '*the increasing economic dependency on China has a weakening effect on democracy in Africa',* is tested.

1.1 Outline of the thesis

The thesis begins with the introduction section, in which the context, background and significance of the topic are presented, after which the specific aims and the research question of the study are elaborated on. The second section of the study delves into the literature on two major relevant themes, China's growing economic relations with Africa as well as foreign influence on democracy in Africa, after which the theoretical framework and the main hypothesis of the study are discussed. The subsequent section presents the research design, methodology, data and the limitations of the chosen approach. The section 4 consists of the data analysis and discussion, and finally, the section 5 presents the conclusions.

1.2 Background

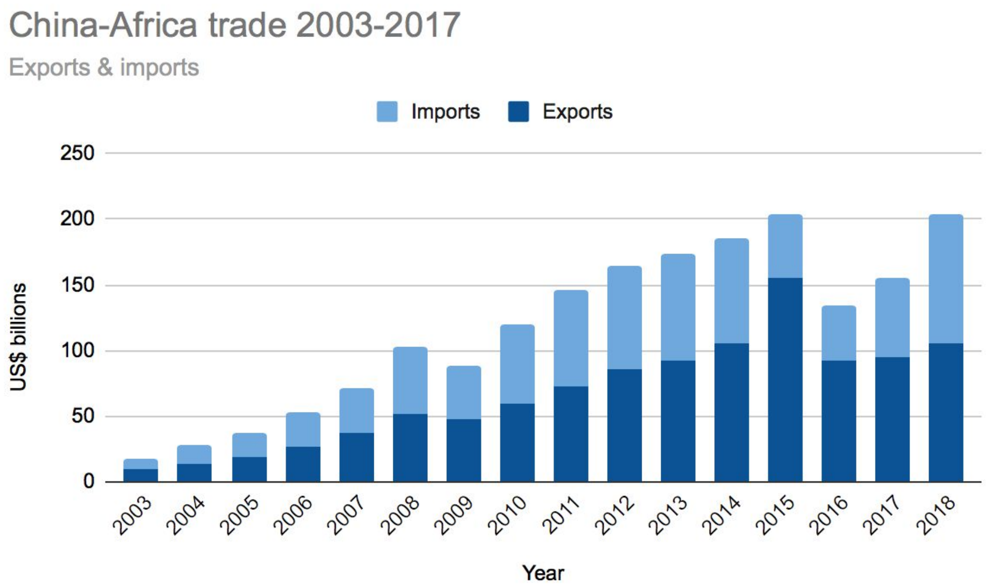
1.2.1 China's Rise in Africa

China's economic influence in Africa, consisting mostly of trade, aid, loans, FDI and technical assistance, has increased immensely since the early 2000s (Shaw, 2011; Busse, Erdogan and Mühlen, 2016; Kummer-Noormamode, 2014; Brautigam, 2009; Taylor, 2019). Since the 1990s, the trade between China and Africa has been growing much more rapidly than the trade between Africa and the West, and the Sino-African economic cooperation has generally become more formalized and comprehensive following the establishment of the FOCAC (Forum of China-Africa Cooperation) in the year 2000 and the 2006 FOCAC summit in Beijing (Shaw, 2011; Brautigam, 2009, p. 1, 158, 240-241). More and more African countries have also joined China's Belt and Road Initiative (BRI), a global development strategy, the official goal of which is to improve connectivity across the world, particularly by linking China to Europe and Africa through Central Asia, Middle East and East Africa (Lee, 2017, p. 1, Tiezzi, 2018).

China's increased economic engagement in Africa has drawn plenty of attention especially because of its reputedly unconditional nature; the Chinese are generally considered to be willing to engage in economic cooperation regardless the democratic, environmental or human rights conditions in their African partner countries (Shaw, 2011; Taylor, 2019). However, the Chinese state-level economic engagement is not *de facto* unconditional: China does expect diplomatic support in international organizations as well as the protection of Chinese nationals and its economic and political interests in the partner countries (Halper, 2010, p. 107; Hodzi, 2019, p. 210; Taylor, 2019). It is known that China has granted loans of billions of dollars to African states, mostly aimed at infrastructure projects, but the total amount of aid and investments is difficult to estimate (Shaw, 2011; Busse, Erdogan and Mühlen, 2016; Hruby, 2019). However, it is generally known that the amount of Chinese aid to Africa has increased substantially in the 2000s, yet, while China is the most influential non-Western donor, the amounts of Chinese aid are still very limited in comparison with the Western development aid (Broich, 2017; Brautigam, 2009, p. 171-172).

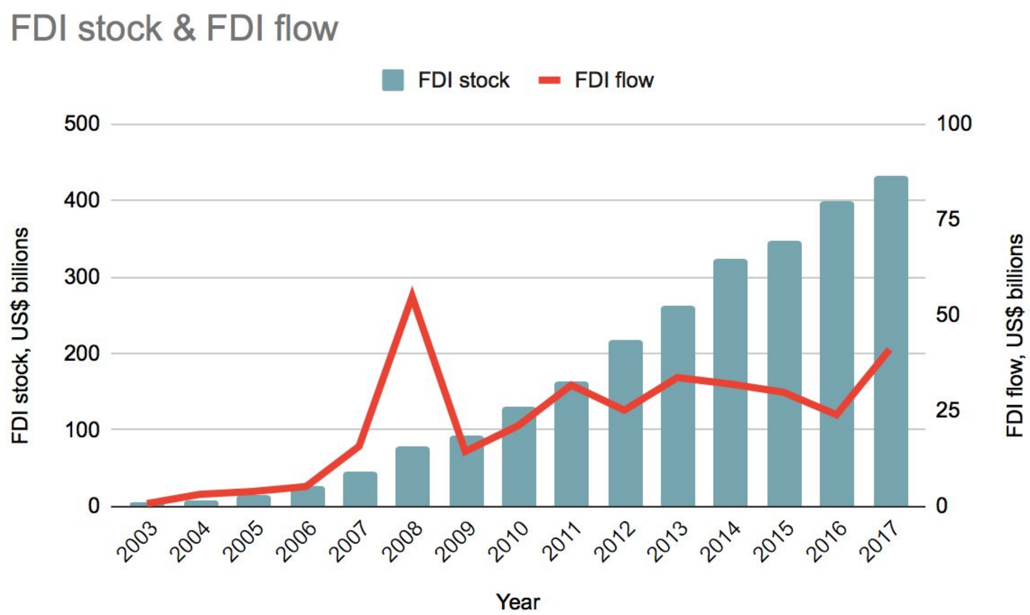
On the other hand, trade data are readily available, and China has clearly become the single largest trade partner of Africa in the 2000s (Busse, Erdogan and Mühlen, 2016). China was also one of the largest sources of FDI in Africa as of 2016, after the US, UK and France (UNCTAD, 2018). It is also worth noting that during the rapid increase in China-Africa trade in the 2000s, most African economies achieved substantial economic growth, which can to a large part be explained by favorable commodity prices in the world market, while China's role in influencing the growth is disputed (Busse, Erdogan and Mühlen, 2016; Kummer-Noormamode, 2014).

Figure 1: China-Africa trade 2003-2017



Source: China-Africa Research Initiative, (2019). Data: China-Africa Trade. Available at: http://www.sais-cari.org/chinese-investment-in-africa

Figure 2: Chinese investments in Africa, FDI stock and FDI flows



Source: China-Africa Research Initiative, (2019). Data: Chinese Investments in Africa. Available at: http://www.sais-cari.org/chinese-investment-in-africa

It is also noteworthy that China's increasing influence has been viewed in a remarkably positive light across Africa, which appears to be in part due to China's massive and sophisticated media expansion in the continent since 2006 (Halper 2010, p. 233-234; Bailard, 2016; Alviani, 2019).

The Western discourse on China's increasing role in Africa is often problematic, because the wide array of different Chinese actors are often considered a single entity (Taylor, 2019). This implies that a negative impact caused by any Chinese actor – be it economic, environmental or governance-related – will be attributed to the Chinese state, whereas in reality China's economic presence in Africa consists of, including but not limited to, SOEs, large private corporations, tens of thousands of SMEs and private investors (Taylor, 2019; Hruby, 2019). These actors are not centrally controlled; they have considerable freedom to operate, and even the SOEs often compete with each other in the African market (Brautigam, 2009, p. 281; Hruby, 2019). The lack of understanding the diversity of Chinese commercial engagement in Africa can result in skewed understanding and unwarranted policy choices in the West (Hruby, 2019).

1.2.2 Democratization in Africa

Along with changes in the global balance of power after end of the Cold War in the 1990s, an unprecedented wave of democratization spread throughout the developing world, including Africa, and by the end of the decade the overwhelming majority of African states had become formally multi-party democracies (Levitsky and Way, 2010, p. 18-19, 24; Thomson, 2010, p. 245). However, these new democracies were anything but stable: coups were frequent and most countries combined authoritarianism with some form of electoral competition, resulting in regimes that were often described as 'flawed', 'incomplete' or 'transitional' democracies (Thomson, 2010, p. 136-137; Levitsky and Way, 2010). The consolidation of democracy was particularly difficult in Africa because of low levels of socio-economic development, poor economic performance, failures to gain control over the military, and the rulers' inability to institutionalize democratic electoral processes (Haggard and Kaufman, 2016, pp. 224-225).

Because of these various problems regarding democratization, Western democracy promotion (especially 'hard power' measures, such as conditional aid and economic sanctions) became increasingly common in the 1990s (Escribà-Folch and Wright, 2015). For this study, the increased amount of conditional aid is of particular interest, since the criticism towards aid as a support system for dictators has a long history, and aid conditionality supposedly addresses this problem by providing an incentive to democratize, and thereby increases the likelihood of a transition to democracy (Escribà-Folch and Wright, 2015). Thus, the general puzzle here is whether the increased economic ties between China and Africa are undermining the Western influence and democracy promotion strategies by providing African countries with access to economic resources without conditionalities, a notion that has been widely debated in the media and academia (Escribà-Folch and Wright, 2015; Hackenesch, 2015).

As for human rights and democracy in Africa, the Western and Chinese discourses are remarkably different. Interestingly, China and the West both claim to have focus on the fundamental rights of the people, but the emphasis is very different; China underscores the rights to economic welfare and development, whereas the US and the EU emphasize political rights and civil freedoms (Taylor, 2019; Hackenesch, 2019; Shen, 2018). Both stances are to some extent justifiable based on the Universal Declaration of Human Rights, so the difference essentially lies in the interpretation of what rights are the most important ones (Taylor, 2019). However, the Western approach arguably strives for economic welfare and development in the long term, while the Chinese view does not consider the Western type of liberal democracy as a desired or even suitable polity for most African countries (Taylor, 2019), thereby essentially denying the importance of fundamental political rights.

1.2.3 China's foreign policy under Xi Jinping

After Xi Jinping rose to power in China in 2012-2013, he has managed to consolidate his power to a remarkable extent, while at the same time the Chinese foreign policy has become more and more assertive around the world (Poh and Li, 2017; Taylor, 2019; Hackenesch, 2019; Cook, 2015). The principle of non-interference is still formally the cornerstone of the Chinese foreign policy, but there are signs that the Chinese government is becoming increasingly sensitive to bad governance, especially when Chinese interests are at stake (Taylor, 2019).

The Chinese government is also increasingly promoting the Chinese model of development and trying to legitimize its authoritarian rule across the the developing world (Hackenesch, 2019). This might have considerable implications for Africa in the long term, since already a growing number of countries in Africa find the idea of a 'developmental state' attractive, as many less democratic leaders see it as an efficient way to legitimize the rule of the ruling coalition (Hessebon, 2017).

1.3 Significance

China's influence on governance and democracy in Africa has attracted plenty of scholarly attention in recent years (Hackenesch, 2019; Hodzi, 2019, p. 231; Li, 2017; Taylor, 2019; Broich, 2017; Shaw, 2011). Examining the effects of the increasing economic engagement with China on democracy is extremely important for various reasons. First, the scale of the changes in Sino-African economic relations in recent decades is immense, and the changes have been relatively rapid. In the early 1990s, trade between China and most African countries was negligible, while nowadays China is the single largest trade partner of Africa and accounts for 10-50 percent of exports for many major African economies (WITS, 2018). FDI flows have also increased dramatically, from mere millions in the early 2000s to billions into the 2010s (figure 2). Thus, understanding the implications of these developments is of paramount importance for both Western countries devising strategies for development cooperation and African countries considering their future cooperation with China. Second, the sheer size of Africa increases the importance of the issue; according to UN estimates (2017), Africa will host roughly one quarter of the world population by 2050, and the nature of the Chinese economic cooperation will undoubtedly have a considerable impact on the lives of these people. Third, the academia is heavily divided on the issue, and the field is dominated by qualitative research with little empirical evidence (Hackenesch, 2015; Broich 2017). This implies that further research is necessary, and especially the need for more quantitative evidence to support or reject the existing theories is evident. Moreover, many studies related to democratization in Africa have focused mostly on aid, although the growth in trade and FDI has been relatively much more rapid than the increase in aid (Shaw, 2011; Busse, Erdogan and Mühlen, 2016; Csordás and Ludwig, 2010; Hackenesch, 2015; Broich 2017; Hayman, 2011). Fourth, the recent political developments in China raise further concerns: as China is gradually shifting towards a more personalist dictatorship (Shirk, 2018), it is more important than ever to understand the political implications of the increasing China-Africa economic cooperation.

1.4 Specific aims and research question

Given these considerations, the main research question this study is:

RQ: Does the increasing economic dependence on China influence democratisation in Africa?'

As the research question states, the primary aim of this study is to find out whether the increasing trade and investment between China and Africa influences the patterns of democratization in Africa. However, since the main research question is a yes–no question in nature, the study is also concerned with the question *'how does the increasing economic dependence on China influence democratization in Africa?'* in order to give depth to the analysis. The results are examined in the light of existing theories in order to see if the theories are supported by the quantitative evidence. The primary focus of this study is on the role of trade, because it is the single largest economic tie between China and Africa and has been often omitted in quantitative studies, although many theoretical arguments suggest that it can be a relevant factor in the democratization process. Additionally, the study examines the role of FDI flows, because they have increased rapidly as well, and their potential role in democratization has not been extensively studied in quantitative terms. High volatility of primary commodity prices combined with the recent economic slowdown in China has resulted in rapid changes in both trade volume and FDI between China and Africa in the 2010s (figures 1 and 2). These changes provide interesting material for the analysis, although it is unlikely that such rapid changes have had considerable influence on political institutions thus far. However, it is critical to fill the gap in the existing research in order to help scholars to gain a better understanding of the issue and to guide future research in the right direction. Moreover, this study not only attempts to answers some important questions, but it is also aims at eliciting new questions regarding the China-Africa economic cooperation.

2. Theory

This section focuses on the general theoretical foundation of the study. First, the section summarizes the key findings of the literature review, after which the theoretical framework of the study is presented. Finally, a hypothesis is formed based on the research question and the theoretical framework

2.1 Literature review

2.1.1 China's Deepening Economic Relations with Africa

To begin with, it is necessary to examine why China is economically interested in Africa in the first place. Shaw (2011) recognizes four key reasons for China's endeavours in Africa. First, China wants to ensure a long-term access to key natural resources that it needs to maintain its own growth. Second, the Chinese economic assistance facilitates the creation of a favorable environment for Chinese FDI; massive infrastructure projects not only make trade easier by reducing transportation costs, but also increase the legitimacy of African governments in the eyes of the public and make them more willing to continue the economic cooperation with China in the future. Third, China is seeking to secure future export markets for its cheap consumer goods since the African population will be growing much faster than the global average for decades to come. Finally, China is seeking diplomatic allies in the UN and other international organization as well as trying to keep countries from recognizing Taiwan. According to McCann (2010), the increased economic interest for Africa by China and other developing economies such as India, Brazil and some Middle-Eastern countries can be beneficial to

Africa, because at best African countries can take advantage of the expanding range of countries vying for investment opportunities, i.e. the bargaining power of African countries increases.

While there is no doubt about the increasing Chinese economic influence in Africa, it is not clear whether Africa is benefiting from these economic relations or not. Busse, Erdogan and Mühlen (2016) find that Chinese FDI and aid have not played a substantial role in the economic development in Africa on the whole. Chinese non-resource exports to Africa seem to have an adverse effect on growth, whereas the Chinese FDI seems to benefit countries with a relatively strong rule of law (Busse, Erdogan and Mühlen, 2016). They also argue that the increased exports to China can potentially benefit African countries, but only if they are invested in public goods, which is not the case in many countries, and much of the Chinese FDI is directed to industries with limited linkages to the rest of the economy. On the contrary, Kummer-Noormamode (2014) argues that the trade relationship is reciprocal – China gets valuable natural resources while Africa enjoys cheap commodities – and that Africa's openness to trade with China has had an overall positive effect on the economic growth in Africa, although a lack of diversification remains a major issue in most countries.

Brautigam (2009) provides a more optimistic account of China's influence in Africa in her book *The Dragon's Gift - The Real Story of China in Africa*, arguing that China's importance is often exaggerated, and much of the influence is actually positive and directed towards many different sectors of the economy. According to her, the Chinese investments are generally based on sound economic principles and often benefit the general public to a considerable extent (Brautigam, 2009, p. 279, 307-308). She also points out that China has long combined aid and development loans with its own economic interests – and has been very upfront about it. On the contrary, their Western counterparts often claim to be on a mission to end poverty, yet the governmental aid agencies need to convince political leaders back home of the economic benefits of giving aid (Brautigam, 2009, p. 42).

2.1.2 Foreign influence on democratization in Africa

Many qualitative studies suggest that the increasing Chinese economic influence in Africa is detrimental to democracy, but the quantitative evidence to support these arguments is limited (Broich, 2017). Shaw (2011) argues that the increasing Chinese influence in Africa hampers democracy promotion by providing African leaders with ways to maintain their rule without really compromising on their access to economic resources. This results in a weakening leverage of the Western democracy-promoting countries in Africa, which is a critical point regarding the motivation of this study. In a similar vein, Li (2017) finds that the effect of Western development aid aimed at promoting political reforms has weakened along with the rise of China as a major rival to the West in Africa. On the other hand, he also points out that the rise of China has also spurred positive competition between major powers; after the increasing Chinese engagement, the EU and the US seem to have regained their interest in having a strong foothold in Africa. In contrast to Shaw (2011) and Li (2017), based on the two case studies in Angola and Ethiopia, Hackenesch (2015) concludes that the Chinese influence on the implementation of democracy promotion policies in Africa is very limited, and that domestic factors play a far more important role in the process of democratization.

As far as aid conditionality is concerned, some studies find that the Western conditional aid can be helpful in sustaining democracy, while some criticize it for being ineffective and inconsistently allocated (Csordás and Ludwig, 2010; Hayman, 2011; Brautigam, 2009, p. 285). Brautigam (2009, pp. 285-286) argues that conditionalities imposed by Western donors have not been consistent, and many donors have consistently given plenty of aid to countries with dismal human rights records. She also points out that conditionalities are mostly not aimed at democracy promotion, but at corruption and economic reforms. Van Cranenburgh (2018) and Crawford (2001, pp. 225-226) present similar findings; conditionalities have been inconsistent and highly influenced by a range of political and economic interests of the donor countries. Moreover, Van Cranenburgh (2018) concludes that democracy promotion has mostly focused on the easy aspects of democratization process, such as supporting multi-party elections, and has thereby largely ignored the contextual complexity and inherent problems that make electoral institutions unsustainable Africa.

Broich (2017) observes that China does not systematically prefer less democratic countries in its aid policies, while the recognition of Taiwan and the role of the English language seem to have an impact on the direction of Chinese aid flows. Moreover, some important determinants of democracy in Africa include spatial relationships, for example countries bordering other democracies as well as countries under the influence of democratic nations tend to be more democratic (Csordás and Ludwig, 2010; Brinks and Coppedge, 2006).

Taylor (2019) points out that numerous Western companies have contributed to malgovernance across Africa with the tacit approval of the national governments, while China has shown increasing interest to interfere in bad governance in recent years. It is arguably easier to blame Chinese SOEs than Western private enterprises, since the former are formally under the direct rule of the state. Along similar lines, Brautigam (2009, p. 285) argues that most African dictators have never really been dependent on Western conditional aid, but have constantly had alternatives sources of financing, such as Western banks, oil corporations and mining corporations

Hackenesch (2019) suggests that the political environment for the Western democracy promotion has changed in recent years due to three different reasons: 1) political changes and signs of democratic backsliding within the EU and the US, 2) decreased trust in peaceful democratization following the Arab Spring, and 3) China's increasing efforts to legitimize its authoritarian model of development around the world.

2.2 Theoretical Framework

2.2.1 Western leverage

The study focuses explicitly on the international dimension of democratization, which is the starting point for delineating the theoretical framework. The research question – '*how does the increasing on China influence democratisation in Africa?'* – suggests that there might be a connection between the increasing dependence on China and democratization in Africa. The principal theoretical argument to support this assumption is the decreasing *leverage* — defined here as "states' vulnerability to Western democratizing pressure" (Levitsky and Way, 2010, p. 40) — of Western countries in Africa due to China's increasing economic influence. At the same time, the Chinese leverage is supposedly increasing, potentially facilitating the promotion of the Chinese way of governance. The leverage consists of two distinct mechanisms: 1) states' bargaining power over their Western partners and 2) the potential impact of various sanctions and punishments that could be taken against the African states (Levitsky and Way, 2010, p. 41). The leverage therefore does not depend on the actual measures taken by the Western partners, but is determined by the states' vulnerability to any potential measures.

Three principal factors can decrease the Western leverage: 1) the size of the countries' economies; stronger and larger states have intrinsically greater bargaining power over the West and are less dependent on them economically due to a sizeable domestic market, 2) the strategic significance of the countries; Western countries are less likely to put pressure on countries that have indispensable natural resources or are deemed otherwise strategically and geopolitically important, and 3) the engagement of non-Western countries; economic and political support of non-Western partners can help the countries to resist Western pressure (Levitsky and Way, 2010, pp. 41-42). The third factor is clearly the most relevant to this study, since our central interest lies within the role of the increasing Chinese economic engagement in Africa. Levitsky's and Ways's (2010) theoretical considerations can also be seen in a quite different light today, nearly a decade later, since China has taken a course towards personalist dictatorship, while consistently strengthening its foreign policy strategies and exerting more and more political influence globally (Shirk, 2018; Poh and Li, 2017).

This notion of Western leverage implicitly assumes that aid conditionality and economic sanctions increase the likelihood of a government to benefit from a political reform (Escribà-Folch and Wright, 2015, p. 28-29). In other words, for the decreasing Western leverage to influence democratization, we must assume that a higher leverage can have an impact on democratization in the first place.

2.2.2 Linkages

In addition to the Western leverage, we apply the concept of *linkages* to our theoretical framework. Levitsky and Way (2010, p. 43) define 'linkages to the West' as *'the density of ties (economic, political, diplomatic, social, and organizational) and cross-border flows (of capital, goods and services, people, and information) among particular countries and the United States, the EU (and pre-2004 EU members), and Western-dominated multilateral institutions'.* Given the purpose of this study as well as the recent changes in global power relations, the concept of linkages is applied, but more specifically as 'economic linkages to China'. Transferring the concept to Africa's partnership with China is logical, since the linkages work essentially by transmitting international influence along flows of people, capital and goods – all very much associated with the Chinese economic engagement in Africa (Levitsky and Way, 2010, p. 44).

2.2.3 Democratization and economic development

Certain modernist theoretical arguments linking democratization with economic development are also taken into account in order to control for the considerable economic growth experienced in much of Africa simultaneously with the increasing Chinese engagement. These arguments suggest that weak states and economies are less able to consolidate democracy and that socio-economic development and economic prosperity increase demands for political liberties as the most basic economic constraints on individual freedom disappear (Haggard and Kaufman, 2016; Barro, 1996; Wucherpfennig and Deutsch, 2009). These theoretical considerations are necessary to take into account for two reasons: firstly, the increase in the trade between China and Africa occurred simultaneously with substantial economic growth, which needs to be considered when analysing the results, and secondly, the increasing China-Africa trade might create economic prosperity and thereby technically even spur democratization.

For the purposes of this study, the concept of 'democracy' is defined as a spectrum, i.e. a dichotomy between democracy and authoritarian is not used, but the countries can be defined 'more democratic' or 'less democratic' based on various features of a liberal democracy, such as free elections, fair electoral competition, civil liberties and political rights. More detailed explanations of the indices of democratization used can be found in the Appendix A.

2.3 Hypothesis

Based on the research question and the theoretical framework – the role of leverage and linkages in particular – the following hypothesis is tested:

H: '*The increasing economic dependency on China has a weakening effect on democracy in Africa.*'

The hypothesis obviously very straightforward and perhaps oversimplified, but its role is to work as the starting point for the discussion. Based on the theoretical framework as a whole and previous studies, it is more likely that we find many different types of relationships depending on the index used and the specific subset of cases.

3. Research design and methods

3.1 Overall research design

Based on the research question and the specific aims delineated in the section 3, the study is conducted using mostly quantitative methods. Various existing theories are used to form a hypothesis that is tested by running multiple linear regressions (MLRs) in order to establish whether there is a relationship between the increased dependency on China and patterns of democratization in Africa. In order to get a more precise understanding of the patterns, a number of subsets, based on criteria derived from the theoretical framework, are examined in addition to the dataset as a whole. Multiple secondary sources are used for gathering of data, which consists of different indicators of democracy, trade flows, FDI stocks, socio-economic development, wealth and population. Finally, the results are discussed not only in light of the hypothesis and the theoretical framework, but also in relation to a range of quantitative and qualitative evidence from academic sources in order to enhance the explanatory dimension of the analysis.

3.2 Data

To measure the levels of democracy, the study makes use of the democracy indices from Polity IV and V-Dem databases. V-Dem database consists of hundreds of variables that are utilized to produce five high-level democracy indices, reflecting different aspects of democracy (Coppadge et al., pp. 33, 39-41). These different indices are used as dependent variables in order to see if increasing economic dependency on China tends to affect certain features of democracy more than others. Detailed explanations of each index can be found in the Appendix A. From the Polity IV database, the study makes use of the Revised Combined Polity Score index, which combines indices of Institutionalized Democracy (scale from 0 to 10) and Institutionalized Autocracy (scale from 0 to -10) into one single index (scale from -10 to 10) that can be conveniently used in time-series analysis (Marshall, Gurr and Jaggers, 2018). In addition to providing a point of comparison to V-Dem indices, the semi-dichotomous nature of the Polity IV score allows for comparisons between the countries with positive and negative overall scores.

The central independent variables are trade flows, FDI flows and FDI stocks, but we also control for socio-economic development and economic growth. The data on trade consist of total imports and exports, collected from the UN Comtrade International Trade Statistic Database. Due to the issue of bilateral asymmetries in international trade statistics, the study only uses the figures reported by China in order to maximize consistency. In other words, the Chinese figures for trade with each individual African country are largely collected by the same Chinese authorities and are therefore arguably more consistent than the figures reported by individual African countries. The consistency comes at the cost of risking the political neutrality of the data, since China is known to manipulate economic data for political reasons (Balding, 2014; Ji, 2019). Considering the data on trade, it is also important to note that not all trade flows imply deeper economic relations – let alone economic dependence – between China and its African partner countries. This is due to the very nature of the global economy; goods are produced in parts all around the world, and if e.g. a European company operating in Africa has a Chinese subcontractor for certain goods or parts of goods it needs for its business operations in Africa, it does not substantially increase the economic interdependence between China and Africa, even if the trade flows increase.

As for FDI, the study uses FDI stock figures instead of FDI flow figures for two reasons: 1) based on tentative data analysis, FDI stock figures seem to have greater explanatory power to the dependent variable, and 2) FDI stocks inherently include a temporal dimension; the current values reflect changes in previous years, which arguably increases the temporal explanatory power of the variable.

In addition to the independent variables representing the economic dependency on China, a number of potentially confounding variables – as specified in the theoretical framework section – are accounted for. These include 1) the Human Development Index (HDI) that is used as a proxy for socio-economic development, 2) GDP per capita from the Maddison Project database to serve as a proxy for economic prosperity, since the general level of economic prosperity influences the stability of democracy in the long term (Haggard and Kaufman, p. 236), and 3) the size of the population and the economy measured by GDP of each country in order to account for the likely variation in the amounts of trade and investments based on the size of the countries and their economies.

3.3 Methodology

The methodology of the study is determined by the research question, the theoretical framework and the specific aims of this study delineated in the previous sections. The study employs a longitudinal quantitative research design utilizing secondary data sources, because this way the study can make use of existing high-quality data and incorporate a longitudinal dimension in the analysis (Bryman, 2016, p. 313). The study utilizes time series data from a range of institutional and academic sources. The readily available data covers the years from 2003 to 2017, but this time frame is perceived sufficient for the purpose of this study, since most of the increase in China-Africa trade and FDI flows has taken place during the period (UN Comtrade, 2018). To facilitate the result interpretation and to reduce multicollinearity, the independent variables are standardized by subtracting the mean and dividing by standard deviation, thus giving each variable a value between -1 and 1, the average being 0. The regressions are run separately for each dependent variable, and the results show how much of the variance in the dependent variable can be attributed to each independent variable.

The results are analyzed further in the light of both the theoretical framework and the qualitative evidence from the literature. The analysis is set to discover to what extent the theoretical arguments presented earlier are supported by the evidence, after which the results can be compared with the qualitative evidence drawn from the literature.

3.4 Limitations

Before moving on the the analysis and discussion, it is necessary to establish the limitations of the study, particularly in terms of reliability and validity. As for the reliability of the data, one must consider whether the collection of data is stable over time and place, and, whether the measure actually measures the concept it is supposed to measure (Bryman, 2016, pp. 168-170). The study deals with these issues mainly by utilizing the most elaborate data available from reliable academic and institutional sources; particularly in regard to democracy indices, the goal was to find measures that sufficiently reflect the complicated nature of democracy. However, since democracy can hardly be objectively measured, the study utilizes a number of indices even in the final analysis in order to mitigate the issue of data reliability.

It is also necessary to elaborate on the internal validity, defined here as '*whether a conclusion that incorporates a causal relationship between two or more variables holds water'* (Bryman, 2016, p. 47). Even if the findings suggested that the deepening economic dependency on China influences patterns of democratization in Africa, the study cannot prove causation. By examining the effects of independent variables on the dependent variable, we can *infer* that one causes the other by interpreting the results in light of a theory, but there is always the risk that the risk of a flawed interpretation, e.g. due to undiscovered confounding variables that influence both independent and dependent variables (Bryman, 2016 pp. 175, 345).

Furthermore, the scope of the analysis is limited to observing the patterns and trends in Africa as a whole and certain relatively large subsets of cases. The study therefore *does not* attempt to analyze the patterns of democratization in individual African countries, nor does it provide any additional qualitative evidence of as for *why* the increased economic dependency on China might influence the patterns of democratization. As specified in the section 3, the study aims to address the issue of the lack of quantitative evidence on a topic that is widely debated and rife of anecdotal evidence. The results are examined in light of the relevant qualitative evidence in order to increase the explanatory power of the analysis, but the role of the study is limited to assessing the various theoretical arguments in light of the empirical results.

4. Empirical analysis

This section presents the results of the analysis. The chosen approach stems from the research question and the specific aims of the study; in order to answer the main research question, *'does the increasing economic dependence on China influence democratisation in Africa?',* an overall analysis is conducted in order to observe the macro-level patterns of the assumed relationship. The subsequent subset analyses, instead, can reveal more specific patterns that can be examined in light of the theoretical arguments presented in the previous section.

4.1 Overall analysis

Based on the specific aims and the research question of the study, the starting point of the analysis is exploring the relationship between the principal predictor variables and the outcome variables for the dataset as a whole. In order to determine the relationship between the principal predictor variables (*exports to China, imports from China and FDI stock*) and the outcome variable (*electoral democracy index*), the study uses a hierarchical multiple regression. The regression is performed in order to determine the ability of trade flows and FDI stocks to predict levels of electoral democracy after controlling for the influence of population size, total GDP, GDP per capita and HDI. Preliminary analyses were carried out to make sure that there is no violation of the assumptions of linearity and multicollinearity. Due to missing values for one or more variables, a number of datapoints were omitted from the analysis, including all the data points for Eritrea, Eswatini and Somalia.

Tables 1a and 1b present the main findings of the hierarchical regression. The control variables can explain 15.8 percent of the variance in the level of electoral democracy. After adding trade flows and FDI stocks into the regression, the model can explain 17 percent of the variance. Thus, a significant regression equation was found ($F(7, 686) = 21.285$, $p < .000$), with an R^2 of .178.

The principal predictor variables – trade flows and FDI stocks – explained only an additional 2 percent of the total variance, R^2 change = .020. Out of the three predictor variables, only the 'exports to China' variable was statistically significant at the $p < 0.05$ level of confidence in the final model. The variable was negatively associated with the level of electoral democracy, with the beta coefficient value of of -.130.

Table 1a: R squared values, all cases, dependent variable = electoral democracy

Variables included	R squared	R squared change	Sig. f change
Control variables	.158	.158	.000
All variables	.178	.020	.001

Table 1b: Beta coefficients, all cases, dependent variable = electoral democracy

Predictor variable	Beta coefficients	Sig.
Exports to China	-.130	.000
Imports from China	.056	.305
FDI stock	.051	.517

Similar regressions were carried out with the other four V-Dem indices (*liberal democracy index, participatory democracy index, deliberative democracy index, egalitarian democracy index*) and the Polity IV index (*Revised Combined Polity Score*). The table 2 shows that all the V-Dem indices provided relatively similar results with the predictor variables able to explain from 1,2 to 2,5 percent of the variation in the outcome variable. With the Polity IV index as the outcome variable, instead, the predictor variables could explain 3,8 percent of the total variation in the outcome variable, which is considerably more than with the V-Dem indices (table 2). One major exception among the V-Dem indicators is that with the *deliberative democracy index* as the outcome variable, imports from China are *positively* associated with the level of deliberative democracy, with the standardized coefficient beta value of .181. The relationship is statistically significant at $p = .037$. With the Polity IV index as the outcome variable, instead, FDI stock is found to be positively associated with the level of democracy, with the standardized coefficient beta value of 0.185. The relationship is statistically significant at $p > .000$.

Table 2a: R squared change values, all indices

Dependent variable	R squared change	Sig. f change, final model
Electoral democracy index	.020	.001
Liberal democracy index	.012	.020
Participatory democracy index	.020	.001
Deliberative democracy index	.025	.000
Egalitarian democracy index	.024	.000
Polity IV	.038	.000

Table 2b: Beta coefficients and their significance levels for the three predictor variables of the final model using the six different democracy indices

Dep. variable	Beta c., exports from China	Sig.	Beta c., imports from China	Sig.	Beta c., FDI stock	Sig.
*el_dem**	-.130	.000	.056	.517	.051	.305
*lib_dem**	-.095	.008	.073	.394	.025	.612
*parti_dem**	-.141	.000	-.055	.525	.067	.182
*deli_dem**	-.126	.000	.181	.037	-.038	.446
*egal_dem**	-.139	.000	.110	.190	-.030	.531
Polity IV	-.154	.000	-.058	.520	.185	.000

**el_dem = electoral democracy index, lib_dem = liberal democracy index, parti_dem = participatory democracy index, deli_dem = deliberative democracy index, egl_dem = egalitarian democracy index*

4.2 Subset analysis

So far, we have observed that the predictor variables cannot explain more than a couple of percents of the variance in democracy levels – at least when we examine all the countries together. However, since our predictor variables can explain *some* variance, it is reasonable to suppose that the explanatory power is stronger with certain types of cases. Based on the theoretical framework and literature, we draw three different subsets of countries with certain characteristics to see if our model is stronger in more specific contexts. Each subset consists of roughly half of the data points (above and below a predefined threshold), because drawing smaller subsets would reduce the statistical significance of the findings to a considerable extent. Since all the V-Dem indices seem to produce relatively similar results, only one of them – electoral democracy index (in this section referred to as ED index) – is used in the subset analysis along with the Polity IV index, mainly for the sake of convenience.

4.2.1 Institutionalized autocracy and institutionalized democracy

As mentioned earlier, democracies tend to engage with other democracies (Hackenesch, 2019), so we might assume that Western democratizing pressure is inherently stronger in institutionalized democracies, thus decreasing the influence of the increasing economic engagement with China. To explore this potential relationship, the study makes use of the semi-dichotomous nature of the Polity IV index. The index gives assigns each case a positive value (level of institutionalized democracy) or a negative value (level of institutionalized autocracy), so two subsets can be drawn according to the polity type of the cases: the subset A for negative scores and the subset B for positive scores.

First, the cases with a negative Polity IV score are examined. In terms of R squared change, i.e. the ability of trade flows and FDI stock to predict levels of democracy, the results are not much different from the analysis with the dataset as a whole: .032 for the ED index and .021 for the Polity IV index (Tables 3a and 4a). With the ED index, a statistically significant positive association between FDI stock and the level of democracy is found (Table 3b) while with the Polity IV index, a similar association is found between exports to China and the level of democracy (Table 4b).

Table 3a: R squared values, Polity IV < 0, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.284	.284	.000
All variables	.316	.032	.011

Table 3b: Beta coefficients, Polity IV < 0, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	.054	.355
Imports from China	.089	.133
FDI stock	.350	.002

Table 4a: R squared values, Polity IV < 0, dependent variable = Polity IV Score

Variables included	R squared	R squared change	Sig. f change
Control variables	.401	.401	.000
All variables	.422	.021	.032

Table 4b: Beta coefficients, Polity IV < 0, dependent variable = Polity IV Score

Predictor variable	Beta coefficients	Sig.
Exports to China	.145	.007
Imports from China	.123	.239
FDI stock	.050	.359

The cases with a positive Polity IV score do not present any stronger explanatory power of the predictor variables, with the R squared changes of .031 for the ED index and .014 for the Polity IV index (Tables 5a and 6a). With the ED index, two statistically significant associations are found: a positive one between between imports from China and the level of democracy and a negative one between FDI stock and the level of democracy (Table 5b). With the Polity IV index, a statistically significant negative association is found between exports to China and the level of democracy (Table 6b).

Table 5a: R squared values, Polity IV > 0, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.197	.197	.000
All variables	.228	.031	.002

Table 5b: Beta coefficients, Polity IV > 0, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	-.012	.794
Imports from China	.360	.006
FDI stock	-.292	.000

Table 6a: R squared values, Polity IV > 0, dependent variable = Polity IV Score

Variables included	R squared	R squared change	Sig. f change
Control variables	.163	.163	.000
All variables	.177	.014	.090

Table 6b: Beta coefficients, Polity IV > 0, dependent variable = Polity IV Score

Predictor variable	Beta coefficients	Sig.
Exports to China	-.116	.017
Imports from China	.098	.470
FDI stock	-.045	.575

4.2.2 HDI-based subsets

In the theoretical framework of the study the role of socio-economic development is accounted for; it can be argued that weak states and economies are less able to consolidate democracy, while higher living standards might increase the demand for democracy (Haggard and Kaufman, 2016; Barro, 1996; Wucherpfennig and Deutsch, 2009). These arguments suggest that countries with higher levels of socio-economic development might be more resistant to the putative weakening effect on democracy of the economic dependency on China. Human Development Index is used in this study as a proxy for socio-economic development. The dataset is divided in two roughly equally-sized subsets based on the HDI score, the threshold being at .463.

First, the subset consisting of the scores below the threshold is examined. R squared change values for the model are .029 with the ED index and .012 with the Polity IV, but the latter value is not statistically significant at the 0.05 level of confidence (Tables 7a and 8a). With the ED index, a statistically significant positive association between imports from China and the level of democracy was found, whereas with the Polity IV index no statistically significant association was found (Tables 7b and 8b).

Table 7a: R squared values, HDI ≤ 0.463, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.123	.123	.000
All variables	.152	.029	.022

Table 7b: Beta coefficients, HDI ≤ 0.463, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	-.041	.472
Imports from China	.178	.005
FDI stock	-.115	.093

Table 8a: R squared values, HDI ≤ 0.463, dependent variable = Polity IV Score

Variables included	R squared	R squared change	Sig. f change
Control variables	.115	.115	.000
All variables	.127	.012	.283

Table 8b: Beta coefficients, HDI ≤ 0.463, dependent variable = Polity IV Score

Predictor variable	Beta coefficients	Sig.
Exports to China	-.076	.190
Imports from China	.094	.144
FDI stock	-.035	.616

With the second subset, trade flows and FDI stock predict the variance in the level of democracy considerably better, with the R squared change values of .039 with the ED index and .055 with the Polity IV index (Tables 9a and 10a). With both indices, a statistically significant negative association between exports to China and the level of democracy was found (Tables 9b and 10b). Additionally, a statistically significant positive association was found between FDI stock and the level of democracy with the Polity IV index (Table 10b).

Table 9a: R squared values, HDI > 0.463, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.181	.181	.000
All variables	.218	.038	.000

Table 9b: Beta coefficients, HDI > 0.463, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	-.207	.000
Imports from China	.083	.423
FDI stock	-.104	.236

Table 10a: R squared values, HDI > 0.463, dependent variable = Polity IV Score

Variables included	R squared	R squared change	Sig. f change
Control variables	.156	.156	.000
All variables	.211	.055	.000

Table 10b: Beta coefficients, HDI > 0.463, dependent variable = Polity IV Score

Predictor variable	Beta coefficients	Sig.
Exports to China	-.204	.000
Imports from China	-.186	.165
FDI stock	.249	.001

4.2.3 GDP-based subsets

Drawing from Levitsky and Way (2010, pp. 41-42), the theoretical framework of the study establishes that stronger and larger states are more capable of resisting the Western democratizing pressures. For the purpose of our analysis, this could mean two different things: 1) any foreign influence – including the Chinese influence – is weaker when the state is stronger and larger, or 2) larger states are more prone to be undemocratic because they resist the Western democratizing pressure *while* being influenced by the economic dependency on China.

The subsets are drawn based on the total GDP instead of total population, because the figure reflects better the economic bargaining power of the country. The subsets consist of roughly the upper and lower half of the cases in terms of total GDP, the threshold being around 10,4 billion USD (or -3, as measured by the standardized variable *ZGDP*).

First, the subset consisting of the bottom half of the cases is examined. R squared change values for this subset are slightly higher than for the dataset as a whole, .031 for the ED index and .029 for the Polity IV index (Tables 11a and 12a). With the ED index, a statistically significant association is found between each of the predictor variables and the level of democracy; a positive

Table 11a: R squared values, ZGDP < -0.3, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.211	.211	.000
All variables	.242	.031	.003

Table 11b: Beta coefficients, ZGDP < -0.3, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	-.104	.038
Imports from China	.128	.009
FDI stock	-.135	.011

Table 12a: R squared values, ZGDP < -0.3, dependent variable = Polity IV score

Variables included	R squared	R squared change	Sig. f change
Control variables	.094	.094	.000
All variables	.123	.029	.015

Table 12b: Beta coefficients, 12b: ZGDP < -0.3, dependent variable = Polity IV score

Predictor variable	Beta coefficients	Sig.
Exports to China	-.177	.002
Imports from China	-.020	.433
FDI stock	-.046	.717

one for imports from China and negative ones for exports to China and FDI stock (table 11b). With the Polity IV index, a statistically significant negative association is found between exports to China and the level of democracy (Table 12b).

The predictor variables show much stronger explanatory power with the subset consisting of the upper half of the cases: values for the R squared change were significantly higher, .043 for the ED index and .070 for the Polity IV index (tables 13a and 14a). With both the ED index and the Polity IV index, two statistically significant associations were found; a negative association between exports to China and the level of democracy and a positive association between FDI stock and the level of democracy.

Table 13a: R squared values, ZGDP > -0.3, dependent variable = electoral democracy index

Variables included	R squared	R squared change	Sig. f change
Control variables	.179	.179	.000
All variables	.222	.043	.000

Table 13b: Beta coefficients, ZGDP > -0.3, dependent variable = electoral democracy index

Predictor variable	Beta coefficients	Sig.
Exports to China	-.199	.000
Imports from China	-.093	.483
FDI stock	.146	.035

Table 14a: R squared values, ZGDP > -0.3, dependent variable = Polity IV score

Variables included	R squared	R squared change	Sig. f change
Control variables	.128	.128	.000
All variables	.198	.070	.000

Table 14b: Beta coefficients, ZGDP > -0.3, dependent variable = Polity IV score

Predictor variable	Beta coefficients	Sig.
Exports to China	-.156	.004
Imports from China	-.079	.555
FDI stock	.298	.000

4.3 Summary of the main findings

In order to facilitate the interpretation and discussion of the results, the relevant findings of all the analyses are summarized in the table 15. The table shows all the statistically significant associations between the economic engagement with China and the level of democracy. The rows portray the results for each subset, while the columns show the direction of the statistical significant association, or the lack thereof. A minus sign (–) indicates a **negative association**, a plus sign (+) indicates a **positive association**, and an interpunct (·) indicates that **no statistically significant relationship** was found. Moreover, the sign on the **left side** of the cell shows the result with the '*electoral democracy index*' as the outcome variable, while the sign on the **right side** of the cell shows the result with the '*Polity IV index*' as the outcome variable.

By looking at the summary table, it might first seem that the statistically significant associations between the predictor variables and the outcome variable are very different between the ED and Polity IV indices. However, it should be noted that the *direction of association* between the predictor variables and the two indices is mostly the same; the differences lie merely in the statistical significance of these associations. These differences in statistical significance are most likely due to the limited size of the dataset, which is highlighted when analyzing the subsets with a smaller number of data points.

Table 15: Summary of the statistical significant positive and negative associations between the predictor variables and the outcome variables

Subset	Exports to China	Imports from China	FDI stock
Dataset as a whole	– –	· ·	· +
Institutionalized autocracies	· +	· ·	+ ·
Institutionalized democracies	· –	+ ·	– ·
Lower HDI	· ·	+ ·	· ·
Higher HDI	– –	· ·	· +
Lower GDP	– –	+ ·	– ·
Higher GDP	– –	· ·	+ +

It should also be noted that the findings presented in the table 15 are only indicative in nature, particularly the cases in which a significant association is found only for one of the two indices. When both indices indicate a similar statistically significant result, the association can be assumed to be more robust in nature, since it can be observed regardless the different definitions of democracy.

4.4 Discussion

Since the findings by themselves do not convey much useful information, it is necessary to examine them in light of the theoretical framework and the literature. This section is set to make sense of the rather equivocal findings and tie them into the broader academic debate regarding the role of China in Africa. The section begins with a brief examination of the general patterns of the findings in order to link the discussion of different subsets to the overall trends. Then, the findings of the overall analysis are used to test the hypothesis, after which they are discussed in light of a broader range of different arguments stemming from the theoretical framework and the literature. Finally, the discussion proceeds to the various subsets in order to deepen the analysis and find out whether some of the theoretical arguments are applicable in more specific contexts.

4.4.1 What do the overall patterns tell us?

Before delving into the discussion on the overall analysis and the different subsets, it is useful to briefly dissect the general patterns shown in the table 15 in order to see how they relate to the theoretical framework and the literature on the whole. The most conspicuous pattern in the table 15 is undoubtedly the negative effect of exports to China on democracy levels: the association is found with both indices for the dataset as a whole and for three different subsets alike. This could be linked to many different themes discussed in the literature, such as the decreasing Western leverage or the fact that in many African countries the incomes from resource exports are often not invested in public goods (Busse, Erdogan and Mühlen, 2016). Thus, the increases in income might help the ruling coalitions to consolidate their position.

Imports from China and FDI stock do not show a similarly strong and coherent pattern across the different subsets; the former seems to have a weak positive effect on democracy in some specific contexts, while the latter seems to have very a different impact depending on the subset (table 15). These overall patterns cannot be clearly explained by the theoretical framework of the study, but they are examined in more detail in the following subset analyses.

When observing the subsets side by side in the table 15, one can notice that the economic dependence on China does not really have an unequivocally positive or negative impact on the level of democracy for any of the subsets, let alone the dataset as a whole. This implies that the degree of influence depends on a range of context-specific factors that are beyond the scope of the analysis of this study. Nevertheless, the findings do provide plenty of interesting information to be discussed in relation to the theoretical framework and the literature.

4.4.2 Leverage and linkages – how does China fit into the picture?

In the section 2.2.1, the idea of *Western leverage* as a contributory factor to democracy in developing countries was presented. According to the theory, the increasing engagement with non-Western countries can help the countries to resist Western democratizing pressure (Levitsky and Way, 2010, pp. 41-42). As described in the section 1.1.1, the only major contender to the West in Africa – at least in terms of economic engagement – is undoubtedly China. Thus, according to the theory, the increasing Chinese economic engagement should have a weakening effect on democracy due to the decrease in the Western leverage, hence the hypothesis H: '*The increasing economic dependency on China has a weakening effect on democracy in Africa'.*

When examining Africa as a whole, the findings of the quantitative analysis do not explicitly support the hypothesis; while increases in exports to China seem to have a slight weakening effect on democracy, increases in FDI seem to offset some of the effect by strengthening democracy (tables 2b and 15). Because the variables representing China's economic engagement in Africa can together explain only between 1.2 and 3.8 percent of the variance in the level of democracy – depending on the index chosen – *and* because the association is not unequivocally negative (tables 2a and 2b), it can be established that, in light of the quantitative evidence, the influence of the increased economic dependence on China on democratization in Africa as a whole is *negligible at best*. Since China is nowadays Africa's largest trading partner and one of the largest investors (Busse, Erdogan and Mühlen, 2016; UNCTAD, 2018), the theoretical argument about the Western leverage does not seem to hold in the case of Africa.

Why has the rise of China in Africa not had a larger effect on overall patterns of democratization? First of all, democratization is known to be a complex process with a wide range of factors influencing it, and different factors are known to have different effects on the patterns of democratization depending on e.g. the level of political rights or socio-economic development (Barro, 1999). Secondly, the hypothesis implicitly assumes that Western economic engagement results in more democratic outcomes in Africa, while e.g. Taylor (2019) observes that numerous Western private companies have contributed to malgovernance across Africa, implying that the putative Western *leverage* and *linkages* do not necessarily always have a strengthening effect on democracy in all the countries. It is therefore possible that the interconnections between the Western private companies, the Chinese private and state-owned enterprises, the African governments and multiple other actors contribute to the complexity of democratization in a way that makes it difficult to establish the role of one single actor like China. Lastly, it must be noted that these macro-level findings only imply that *the observed influence is not consistently strong across Africa*. The influence is most likely stronger in certain types of contexts depending on an array of political, economic and other factors, and this is exactly what the subset analyses attempt to tentatively explore.

4.4.3 Democracy to autocracies – and vice versa

As mentioned before, democracies tend to engage with other democracies (Hackenesch, 2019). As a result, we might assume more linkages with the West for countries with institutionalized democratic institutions, and fewer linkages for countries with institutionalized autocratic institutions. However, the data suggest rather the opposite: increases in exports to China and investments from China appear to have a modest *strengthening* effect on democracy in the countries with institutionalized autocracy (tables 3a-b, 4a-b and 15). The same two variables also seem to have a slight weakening effect on democracy in the countries with institutionalized democracy, but this effect is to some extent offset by an opposite effect of imports from China (tables 5a-b, 6a-b, 15).

The theoretical framework and the literature provide a couple of possible reasons for these observations. First, modernist theoretical arguments linking socio-economic development with democratization would be somewhat consonant with the findings; the Chinese investments and exports to China might contribute to socio-economic development in the less democratic countries to the extent that the most basic economic constraints on individual freedom begin to disappear (Wucherpfennig and Deutsch, 2009), while in more democratic countries this effect is not as pronounced, thereby allowing for other mechanisms to play a larger role. The issue with this interpretation is that the analysis *did* account for socio-economic development, but it is possible that the proxy for the socio-economic development used in the analysis – HDI – is insufficient to account for some aspects of socio-economic development that contribute to democratization.

Assuming that bad governance is correlated with institutionalized autocracy, another plausible reason for the findings could be China's increasing interference in governance in Africa observed by many scholars– in particular its increasing sensitivity to bad governance (Taylor, 2019; Hodzi, 2019, p. 210; Hackenesch, 2018). By this logic, China might put pressure the most autocratic governments into improving governance in order to secure a more stable environment for its trade, investment and citizens residing in those countries.

The theoretical framework and the literature do not seem to provide any solid explanation for why the imports to China seem to have a slight positive effect on democracy in institutionalized democracies, while the other two proxies for economic dependence on China have the opposite effect. In light of the modernist arguments discussed above, it could be argued that imports from China are directed towards sectors with more linkages to the economy as a whole, thereby contributing to socio-economic development, while FDI and exports are in many cases concentrated on the sectors with fewer linkages to the rest of the economy (Busse, Erdogan and Mühlen, 2016; Kummer-Noormamode, 2014).

4.4.4 Socio-economic development and democracy

The potential role of socio-economic development in contributing to democracy has been discussed in previous sections, and based on the theoretical framework of the study, it is assumed that countries with higher levels of socio-economic development might be more resistant to the Chinese influence. However, the findings suggest somewhat the opposite: the subset with lower levels of socio-economic development is barely influenced by the increasing economic dependence on China, while the subset with higher levels of socio-economic development appears to be more susceptible to the influence (tables 7a-b, 8a-b, 15).

As for the lower-HDI subset, the findings are consonant with the notion that the consolidation of democracy is remarkably difficult in countries with lower levels of socio-economic development, since the process of democratization is influenced by a wide range of factors that do not play such a big role in more developed contexts (Haggard and Kaufman, 2016, pp. 224-225). In other words, any potential influence of the economic engagement with China becomes irrelevant in comparison with the wide array of other factors specific to contexts with low levels of socio-economic development. This conclusion would also be compatible with Hackenesch's (2015) findings about domestic factors outweighing the role of the increasing Chinese influence in the process of democratization in the cases studies of Angola and Ethiopia.

The democracy levels of the higher-HDI subset seem to be more susceptible to the economic dependence on China: between 3.8 and 5.5 percent of the variation can be explained by exports to China and FDI stock, which is considerably higher than the result for the dataset as a whole (tables 2a, 9a-b, 10a-b and 15). Given the considerations above, it is possible that the stronger influence of the economic dependence on China with this subset is due to the weaker influence of the factors that affect democratization in contexts with lower levels of socio-economic development. If that is the case, the negative effect of the exports to China could possibly be partially explained by the above-discussed limited societal linkages of the exports sector in much of Africa.

4.4.5 The Western leverage in relation to GDP

As discussed in previous sections, the theoretical framework of the study suggests that stronger and larger states might be better able to resist democratizing pressures from the West, but this does not necessarily translate into an increased Chinese leverage, since these states are possibly less susceptible to any foreign influence, including from China. The findings of the GDP-based subsets seem to neither support nor reject the role of the Western leverage; the economic dependence on China seems to have a slight weakening effect on democracy for the countries with lower GDP (tables 11a-b, 12a-b, 15), which would tentatively support the Western leverage thesis, because, as these countries' economic ties with China increase, they are less dependent on their Western partners. However, the results for the higher-GDP subset complicate the interpretation for two reasons: 1) the overall influence of the economic dependence on China on democracy is by far the highest for this subset, between 4.3 and 7.0 percent, and 2) while exports to China seem to have a negative impact on democracy for this subset, the amount of investments appears to have a roughly equally strong positive effect on democracy. These observations imply that the Chinese economic engagement influences wealthier and stronger countries in many different ways that cannot be adequately observed by this analysis.

5. Conclusion

The rise of China in Africa has increasingly elicited political and scholarly interest over the last decades. Many are concerned that the increasing influence of the powerful authoritarian state of China will undermine the Western democracy promotion efforts in Africa and inspire the African leaders to adopt more authoritarian ways of governance. In recent years, many scholars have examined these dynamics and there is plenty of anecdotal evidence for China's weakening effect on democracy, but the few quantitative studies have not found strong support for the thesis of China's weakening effect on democracy. While previous studies have mostly focused on the role of aid and aid conditionalities, this study explores the relationship between the increasing economic dependence on China and the patterns of democratization in Africa. The amount of China-Africa trade and investments from China could in theory influence democratization in Africa by weakening Africa's linkages to the West and by decreasing the economic leverage of the Western countries over Africa.

The tentative quantitative evidence presented in this paper suggests that the increasing economic dependence on China does not have an unequivocally negative influence on democracy in Africa as a whole. Instead, the results suggest a high degree of complexity**:** the influence of the Chinese economic engagement seems to depend on the type of the commercial relationship, the initial level of democracy, the level of socio-economic development and the size of the partner country's economy. The study does find a significant relationship between the economic dependence on China and democracy, but the impact is modest at best, and the different forms of economic engagement have different impact on the patterns of democratization. Exports to China seem to have an overall weakening effect on democracy, while imports from China seem to have a very modest strengthening effect, if any. The amount of FDI, instead, seems to have a different impact in different contexts.

The development of the Sino-African relations will most likely have remarkable influence on the global power relations in the long term, and it is therefore extremely important to understand the nature of that relationship as well as possible. The findings of this study have two major implications for the debate around the emerging Sino-African era. First, the findings of this study bode well for future research; there seems to be plenty of fascinating relationships to explore not only by quantitative studies accounting for a larger number of variables and exploring the relationships with larger and more sophisticated datasets and statistical techniques, but also by case studies aimed at improving our understanding of the mechanisms of the Chinese influence on democratization and governance across Africa. Second, the findings, along with growing body of research on Sino-African relations, should help the West to be more elaborate with its criticism and responses to China's growing role in Africa. There are a plethora of reasons to be concerned about China's growing presence of Africa, such as its environmentally unsustainable investments, uneven economic relationships or heavy debts, and the criticism should be targeted according to the actual scale of the issue.

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Appendix A: Detailed descriptions of the V-Dem indices

Detailed descriptions of the V-Dem indices can be found below, directly quoted from the V-Dem Codebook (2019).

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1. Electoral democracy index

Question: To what extent is the ideal of electoral democracy in its fullest sense achieved?

Clarification: The electoral principle of democracy seeks to embody the core value of making rulers responsive to citizens, achieved through electoral competition for the electorate's approval under circumstances when suffrage is extensive; political and civil society organizations can operate freely; elections are clean and not marred by fraud or systematic irregularities; and elections affect the composition of the chief executive of the country. In between elections, there is freedom of expression and an independent media capable of presenting alternative views on matters of political relevance. In the V-Dem conceptual scheme, electoral democracy is understood as an essential element of any other conception of representative democracy — liberal, participatory, deliberative, egalitarian, or some other.

2. Liberal democracy index

Question: To what extent is the ideal of liberal democracy achieved?

Clarification: The liberal principle of democracy emphasizes the importance of protecting individual and minority rights against the tyranny of the state and the tyranny of the majority. The liberal model takes a "negative" view of political power insofar as it judges the quality of democracy by the limits placed on government. This is achieved by constitutionally protected civil liberties, strong rule of law, an independent judiciary, and effective checks and balances that, together, limit the exercise of executive power. To make this a measure of liberal democracy, the index also takes the level of electoral democracy into account.

3. Participatory democracy index

Question: To what extent is the ideal of participatory democracy achieved?

Clarification: The participatory principle of democracy emphasizes active participation by citizens in all political processes, electoral and non-electoral. It is motivated by uneasiness about a bedrock practice of electoral democracy: delegating authority to representatives. Thus, direct rule by citizens is preferred, wherever practicable. This model of democracy thus takes suffrage for granted, emphasizing engagement in civil society organizations, direct democracy, and subnational elected bodies. To make it a measure of participatory democracy, the index also takes the level of electoral democracy into account.

4. Deliberative democracy index

Question: To what extent is the ideal of deliberative democracy achieved?

Clarification: The deliberative principle of democracy focuses on the process by which decisions are reached in a polity. A deliberative process is one in which public reasoning focused on the common good motivates political decisions—as contrasted with emotional appeals, solidary attachments, parochial interests, or coercion. According to this principle, democracy requires more than an aggregation of existing preferences. There should also be respectful dialogue at all levels—from preference formation to final decision—among informed and competent participants who are open to persuasion. To make it a measure of not only the deliberative principle but also of democracy, the index also takes the level of electoral democracy into account.

5. Egalitarian democracy index

Question: To what extent is the ideal of egalitarian democracy achieved?

Clarification: The egalitarian principle of democracy holds that material and immaterial inequalities inhibit the exercise of formal rights and liberties, and diminish the ability of citizens from all social groups to participate. Egalitarian democracy is achieved when 1 rights and freedoms of individuals are protected equally across all social groups; and 2 resources are distributed equally across all social groups; 3 groups and individuals enjoy equal access to power. To make it a measure of egalitarian democracy, the index also takes the level of electoral democracy into account.

Source: Coppedge, Michael, John Gerring, Carl Henrik Knutsen, Staffan I. Lindberg, Jan Teorell, David Altman, Michael Bernhard, M. Steven Fish, Adam Glynn, Allen Hicken, Anna Lu ¨hrmann, Kyle L. Marquardt, Kelly McMann, Pamela Paxton, Daniel Pemstein, Brigitte Seim, Rachel Sigman, Svend-Erik Skaaning, Jeffrey Staton, Agnes Cornell, Lisa Gastaldi, Haakon Gjerløw, Valeriya Mechkov, Johannes von R ¨omer, Aksel Sundtr ¨om, Eitan Tzelgov, Luca Uberti, Yi-ting Wang, Tore Wig, and Daniel Ziblatt. (2019). ”V-Dem Codebook v9” Varieties of Democracy (V-Dem) Project.