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**| RESEARCH ARTICLE**

## Exploring the Perceived Prospects of the Belt & Road Initiative on Policy Impacts for Madagascar

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**| ABSTRACT**

This paper sorts to promote suitable cooperation between China and Madagascar by way of compiling the sentiments of a varying pool of youthful respondents, which can be benefitable to the policy formulation in Madagascar. In achieving the objectives of the research, an extensive literature review was conducted on the subject matter. Further, a mixed method of research design combining quantitative and qualitative methods was adopted. The study findings from the majority of respondents argue that China's belt and road initiative (BRI) will create new business and job opportunities and positively impact policy formulation in Madagascar - although an overwhelming majority also concurred that BRI cooperation would give jobs to more Chinese companies over local companies in Madagascar. The respondents expressed concerns about labor laws, working conditions and the employment of some local workers (in addition to Chinese workers) for BRI projects. The suggested reforms include establishing the appropriate conditions for a strong and well-structured BRI cooperation which will create enough opportunity for both local and Chinese workers to co-exist positively, advancing the spirit of a win-win situation on which the core of the BRI lies. When these policies are put in place in Madagascar, appropriate participation from Chinese companies will create more value for local economies.

**| KEYWORDS**

Job opportunities; Policy formulation; Madagascar; Belt and Road Initiatives; Economic; China-Africa relations.

**| ARTICLE INFORMATION**

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### 1. Introduction

At present, China's "Belt and Road Initiative" (BRI) strategy has risen to the height of Chinese national development strategy, to which they attach great importance and high evaluations. The BRI strategy has been focused on infrastructure development, among other things, in several countries. Its main aim is to promote the interconnection between China and other countries by actively participating in the investment and construction of projects along the BRI route (Bartosiewicz, 2019; Rana, 2017). Additionally, the BRI project is targeted at helping achieve industrial upgrading and transformation, as well as infrastructure construction in countries involved in the BRI project. It should be mentioned that the major significance of the extravagant BRI project is to offer suggestions and achieve a "win-win" economic development between China and the countries along the BRI route. Chinese enterprises have carried out corporate social responsibility activities in Madagascar, contributing to the national economy and social development and impacting citizens' livelihoods (Breuer et al., 2017). Madagascar has huge potential for economic development, and its status in the BRI is self-evident.

#### 1.1 Research Significance

China and Madagascar have had diplomatic ties since 1972, and since then, their interactions and collaboration have grown steadily. The two leaders have placed a great deal of emphasis on the growth of economic ties over the past several years, and high-level trade is growing as a result. This has greatly accelerated the friendship and collaboration between China and

Madagascar. Bilateral trade investments (in human, cultural, and educational spheres) are all deepening – evidenced by the two countries' cultural cooperation and cordial relationship.

At present, there is much-related literature on factors that impact the economy of Madagascar (Anyadike et al., 2015), but few studies will go on to promote suitable cooperation between China and Madagascar in terms of policy impact on job creation for the local workers. This paper is thus intended as additional literature to contribute to closing this significant gap in corporate relations between the two countries.

### **1.2 Problem statement and research objectives**

How can a developing country like Madagascar leverage the opportunities presented by the Chinese BRI (and the possible risks that might come with it) for its national development? To this end, this paper proposes the following objectives aimed at discussing the effects of the Madagascar-China partnerships towards the job creation opportunities for local citizens for sustainable national development to answer the following research questions:

- a. How does this strategic BRI partnership impact the livelihood of the locals?
- b. What lessons can Madagascar adopt from countries with the highest connectivity with China's BRI for local job creation opportunities?
- c. What are the stakeholders' perceptions on BRI partnership outlooks for job opportunities in Madagascar?
- d. What are the stakeholders' perceptions on BRI partnership outlooks for economic policy formulation in Madagascar?

To summarize, the objective of this study is to study existing literature reports and to seek stakeholders' views on the perceived impacts of the so-called strategic BRI Madagascar-China partnership on available job opportunities in areas such as construction and eco-tourism and analyze its impact on the Malagasy economy.

## **2. Literature Review**

### **2.1 Research status and development trend at home and abroad**

The BRI strategy has been focused on infrastructure development, among other things, in several countries. Its main aim is to promote the interconnection between China and other countries by actively participating in the investment and construction of projects along the BRI route (Chen, 2021). Additionally, the BRI project is targeted at helping to achieve industrial upgrading and transformation, as well as infrastructure construction in countries involved in the BRI project [Chen, 2021], [Gu, 2019]. It should be mentioned that the major significance of the extravagant BRI project is to offer suggestions and achieve a "win-win" economic development between China and the countries along the BRI route.

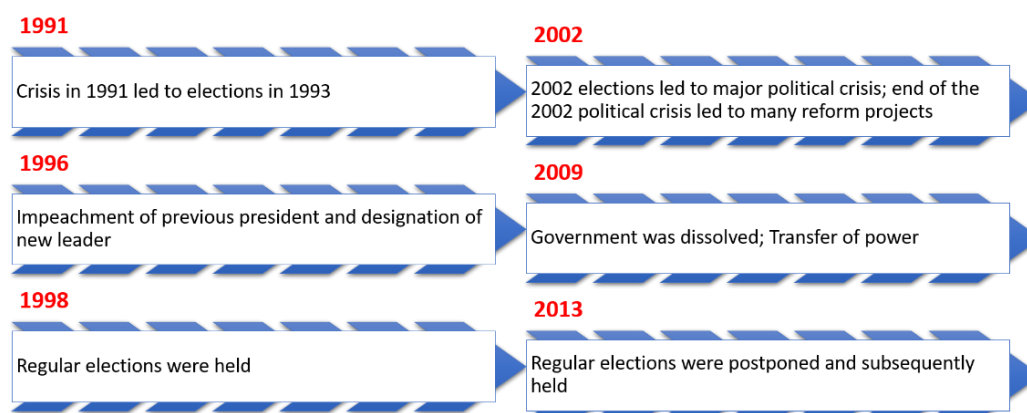
Recently, Chen et al. [2021] and Cui and Song [2019] categorized the connectivity between China and the BRI countries into five core elements, namely policy coordination, facility connectivity, unimpeded trade, financial integration, and people-to-people bonds (known as the "five connectivity's" for short). The authors [Chen 2021] and [Cui, 2019] further analyzed how the connectivity of the BRI initiative contributes to the economic growth of the six geographically categorized BRI countries. Among the selected 30 sample countries with the five top direct investments of China's stock in each of the six regions based on "2017 Statistical Bulletin of China's", Madagascar had the least direct investment of China's stock (\$766.30 million), after Panama (\$358.78 million). This implies that Madagascar and Panama have the lowest level of connectivity with China [Chen, 20221]. The downright conclusion is that, in fact, the connectivity of the BRI countries with China contributed to the overall economic growth of those countries due to several factors, including but not limited to (i) the duration of the BRI countries that have diplomatic relations with China, (ii) the duration of the BRI countries in partnership with China, (iii) the number of bilateral agreements signed between the BRI countries and China, (iv) the number of Chinese embassies and consulates abroad and the number of foreign embassies and consulates in China, and (v) the worldwide governance indicators – political stability and absence of violence, etc. In this regard, the question now arises about how Madagascar can leverage the opportunities presented by the Chinese BRI (and the possible risks that might come with it) for its national development. The aim of this paper is, therefore, to analyze respondents' views on the potential impacts of a so-called strategic BRI Madagascar-China partnership and its implications for Malagasy economy policy.

### **2.2 Study area: Madagascar country profile**

Madagascar is an island in the Indian Ocean off the coast of Mozambique in southeastern Africa. It is the fourth island in the world by area, with 587 000 square kilometers. The country became a French colony in 1896, with Gallieni as Governor General. In 1947, more than 80,000 citizens died due to the suppression of a nationalist uprising by the French army. Nevertheless, the path to autonomy had begun, leading to the end of colonialism in 1960 through the proclamation of independence. Madagascar is disadvantaged by the lack of coastline and its remoteness, resulting in the lack of access to key export markets. As such, the country integrates into the global markets through the increment in production and the promotion of exports of traditional and non-traditional products.

The population of Madagascar was 28.5 million people as of 2020, with 22% of the population residing in urban areas. The majority of the Malagasy population is young, making them the working force of the population. Overall, 67% of the heads of households work in the agricultural sector, and the proportion of women heading households is 18%. 77.2% of the Malagasy population is of working age, and the overall activity population in the country is 67.7%. Employees are paid better in urban areas than in rural areas. The national unemployment rate of 2.8%, but underemployment remains very high (in 7 cities, which is as high as 68%) (Paternostro], et al. 2010).

Madagascar is subject to natural catastrophes (such as a prior history of political instability, **Figure 1**, that might affect its slow growth, GDP and foreign direct investments (FDI). Subsequently, the tradable goods sector and commodity price fluctuations will affect export earnings and the cost of living in the country. Additionally, these fluctuations have sometimes led to large swings in FDIs. Several bouts of political turmoil and concerns about persistent corruption have disrupted economic activity and discouraged capital formation, and led to reductions in foreign aid and concessional financing, with negative feedback effects. Madagascar has faced major economic and institutional disruptions since 2005–06. However, there have been positive periods of rapid, mining-driven growth. Notwithstanding, Madagascar is blessed with a sizeable tourism sector (**Figure 2**) [15]. This sector is, however, largely affected by the economic situation in the tourists' home countries (and also the operational challenges in Madagascar). The economic performance situation is also reportedly improving, but the GDP growth will require large structural reforms and an improvement in the business climate (Paternostro], et al. 2010).



**Figure 1.** Madagascar country political profile.

### 2.3 The diplomatic relations between China and Madagascar

China has been Madagascar's largest trading partner and largest source of imports [Jones, 2019]. Bilateral trade in goods increased by 4.9 % to \$977 million, accounting for 14.1 % of Madagascar's total trade. China's direct investment in Madagascar amounted to US\$55.6 million, with additional investment stock reaching about US\$803 million at the end of 2018. Chinese enterprises have carried out corporate social responsibility activities in Madagascar, contributing to the national economy and social development and impacting citizens' livelihoods. In Soamahamanina (Madagascar), a Chinese mining firm received a 40-year license for mining minerals in exchange for infrastructure such as roads and electricity. However, the company had to stop its activities in 2016 due to protests from locals whose lands were affected by mining. A church and a school were some of the valuable landmarks earmarked for destruction during the mining activities [Breuer, 2017].

Since China and Madagascar formally established ambassadorial diplomatic relations in 1972, China–Madagascar pragmatic cooperation has achieved fruitful results. The following are some China–Madagascar pragmatic partnerships which may or may not have relationships with the BRI concept of sustainable development to provide support to the renewable energy industry in Madagascar. Some Chinese companies were involved in the building of a waste biogas project (with a capacity of 0.35 m<sup>3</sup>/kg VS/d) in Tananarive – in addition to funding support from the Bill & Melinda Gates Foundation [Qin et al., 2021]. China's investment stock in Madagascar (majorly in the renewable energy industry) reached \$766 million, and the direct investment reached \$71.20 million in 2017 [Qin, 2021]. The Asian Infrastructure and Investment Bank (AIIB) and China's EximBank are major financiers of the BRI and remain important partners in African infrastructure development projects [Chen, 2021]. It is, therefore, not surprising that Madagascar, just like most African countries, seem to be embracing China as a potential partner. This was evidenced by a Pew Research Center study, where 76 to 78 percent of the respondents in Nigeria, Kenya and Senegal viewed China favorably, as opposed to only 28 percent of respondents from some of European [Breuer, 2017].



Figure 2. Madagascar's sizeable tourism sector. Adapted from [15].

#### 2.4 How does this strategic BRI partnership impact the livelihood of the locals?

In recent years, China has continued to support Chinese medical teams and technical experts in Madagascar, deepened cooperation in human resources development, and implemented a series of infrastructures such as the Ivato Airport-European Avenue Expressway and the Tsaraza Ota-Ivato Expressway, social engineering, aid and cooperation such as "egg road", the International Convention Center and Anosiala Hospital have contributed to Madagascar's socio-economic recovery and brought tangible benefits to the people of Madagascar. At the beginning of 2019, the newly-appointed President Rajoelina inspected the drilling project of the 200 well in the south and attended the groundbreaking ceremony of the expansion and reconstruction project of the Toamasina port to the RN2 expressway and the reconstruction project of the northern RN5A, which were rumored to be part of a Chinese partnership. These strategic relations have undoubtedly impacted the livelihood of the local citizens in various dimensions. In recent times, Madagascar has focused on the development of biomass energy with strategic policies and programs. In regards to this, potential assistance from Chinese counterparts in the form of the BRI project could also contribute

to the future promotion of biomass energy and provide jobs for the locals. In Madagascar, staple crops like cassava and sugarcane and their residues are valuable sources of raw materials for fuel production. Therefore, these residues can provide rich raw materials for ethanol fuel production [Qin, 2021].

### **2.5 What lessons can Madagascar adopt from other BRI partnerships?**

China has developed one of the world's largest and most competitive construction and infrastructure development industries. China is also financially investing in developing countries, including Madagascar [20]. China has also shown significant interest in other countries, which resulted in varying outcomes. For example, although the relations between Poland and China after 1989 were characterized by a lack of shared interests, major policy implementations between the two countries from 1990-2004 have improved Sino-Polish relations for the long-term development of economic and trade [Bartosiewicz, 2019]. China-Qatar ties have strengthened steadily and smoothly in terms of bilateral development in the political, economic, cultural, trade, energy and other areas [Chaziza, 2020]. Chasiza [2020] studied the motivation behind Beijing's measures to formalize a strategic partnership with Qatar and its integration within the BRI.

Seven major areas for cooperation were highlighted; policy coordination, connectivity, trade and investments, energy cooperation, financial cooperation, military ties, tourism and cultural ties [21]. Madagascar, as an emerging economy, can learn from the successful cooperation of these countries and implement measures to be successful. Madagascar can also steadily implement the cooperation strategies that are or have been adopted by other African countries for a successful Chinese relationship. Presently, five African countries - South Africa, the Democratic Republic of Congo, Zambia, Nigeria, and Algeria - hold the combined Chinese FDI stocks amounting to \$19.02 billion and constituting 41.25% of total Chinese FDI stock in Africa. It has also been debated that the presence of Chinese FDI stock in these countries has been responsible for a considerable improvement in human development in those countries.

## **3. Methodology**

The mixed methods of research design, combining quantitative and qualitative methods, was adopted for this study. The study employed descriptive research of the survey type for the quantitative aspect of the research design. This combines descriptive elements with correlative and hypothetical analysis to describe the perceptions of respondents on the impact of China's belt and road initiative on job creation and policy impacts in Madagascar – looking specifically at areas such as tourism and construction industries since Madagascar is a booming tourist destination.

Additionally, descriptive research methods were used to quantify the qualities and characteristics of the respondents in terms of population, age, gender, educational level, profession etc., to answer questions posed by the problem under investigation. The research is mainly descriptive because it describes the existing situation regarding the perceptions of respondents on the impact of China's belt and road initiative on job creation in Madagascar without manipulating variables. The survey design was employed because the study covered a large area in demography (Madagascar, other parts of Africa, Asia, Europe, America (South and North), and Others) from which a sample was selected. The design provided relevant quantitative descriptions of the perceptions of a wide range of respondents (home and abroad) on the impact of China's BRI on policy impact for Madagascar.

### **3.1 Research Participants**

The participating demography for this study targets a wide range of student respondents based on their country/continent of origin, with emphasis on students of Malagasy nationality because the research question is of their national interest. The study population comprised of diploma, undergraduate and postgraduate international students undergoing different academic programs at home and in Chinese higher education institutions, as well as the working population. It is believed that earmarking this target population is reasonable because they are potential future leaders and policymakers and are therefore expected to have relevant perceptions or views about the study topic. The sample for this study consisted of 117 respondents drawn from different countries of the world through random sampling techniques. The sample subjects were randomly selected by distributing the questionnaire in online forums where there were no biases on who chose to participate. The choice of random sampling procedure was to give all the population members an equal chance of being selected.

### **3.2 Data Analysis**

The participants were asked to complete the close-ended questionnaire, and the data gathered from questionnaires were analyzed using the Statistical Package for Social Sciences (SPSS) version 26. Descriptive statistics (frequencies, means, standard derivations, and rankings) and inferential statistics (Hypothesis and Chi-square) were used to interpret the responses gathered from the quantitative data. A 5-point Likert type scale ranging from 1 to 5 on all questions, i.e., Strongly Agree with 5 points to Strongly Disagree with 1 point, was employed to code the data for use in SPSS.



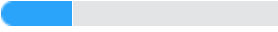

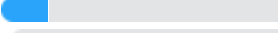
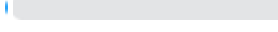
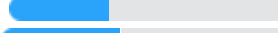
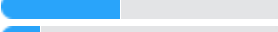
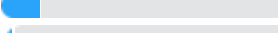
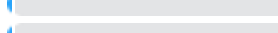
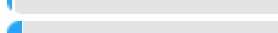
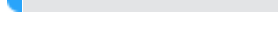
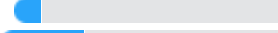
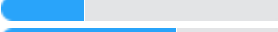


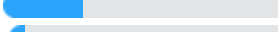
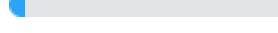


**4. Results and Discussion**

**4.1 Demographical data results**

This research considered five demographic variables; gender, age range, educational level, country/continent of origin, and occupation. **Table 1** presents the results obtained from the participants based on their demographics.

**Table 1.** Demographical data of respondents

		No of Response	Proportion
Gender	Male	66	 56.41%
	Female	51	 43.59%
	Total	117	
Age	18-24	29	 24.79%
	25-35	68	 58.12%
	36-45	19	 16.24%
	46+	1	 0.85%
	Total	117	
Home Country/Continent	Madagascar	42	 35.9%
	Other parts of Africa	49	 41.88%
	Asia	16	 13.68%
	Europe	2	 1.71%
	America (South and North)	2	 1.71%
	Other	6	 5.13%
	Total	117	
Educational Level	Diploma	11	 9.4%
	Bachelor	34	 29.06%
	Graduate	72	 61.54%
	Total	117	
Occupation	Student	77	 65.81%
	Worker	33	 28.21%
	Unemployed	7	 5.98%
	Total	117	

The demographic data shows that more males (56.41%) than females (43.59%) were the respondents of this study. Out of this, the majority of the participants are of age 25-35 years (58.12%), 24.79% of the participants are of age 18-24 years, 16.24% of the participants are of age 36-45 years, and 0.85% of the participants are above 46 years. The majority of the participants are from Africa (77.78 %), with about half (35.9 %) from the home country, Madagascar. The respondents from Asia (13.68 %), Europe and North and South America (1.71 % each), and other continents (5.13 %) further provide adequate normality to the data. The majority of the participants are youthful, which is agreeable, owing to the fact that the majority of the respondents (education wise) are students (65.81%) of bachelor (29.06 %) and postgraduate level (61.5 %). A small number of respondents are diploma students (9.4 %), and an almost equal number (5.98 %) are unemployed. It should be emphasized that there is no inferred correlation between educational level and employability based on this study.

**4.2 Data reliability and normality assessment**

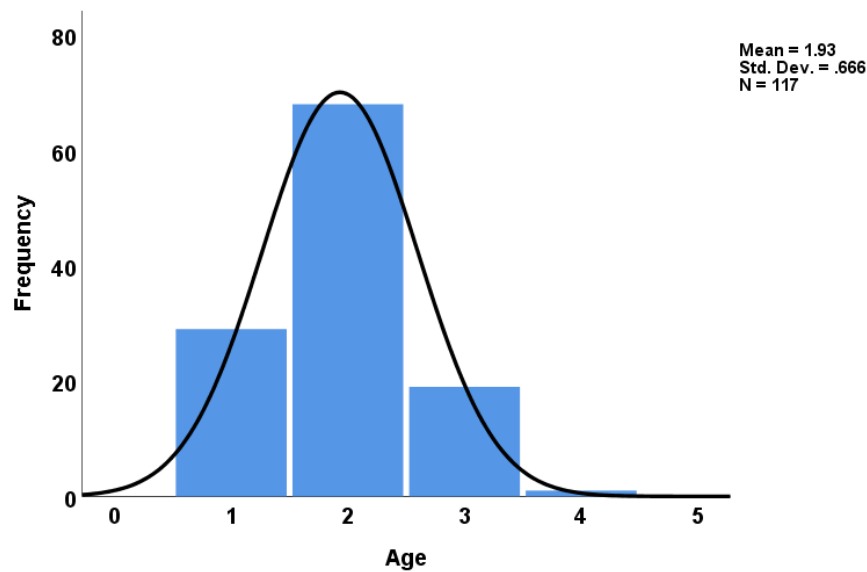
**Table 2** shows Cronbach’s alpha value of 0.903 which was calculated for N = 35 items. Ideally, Cronbach’s alpha value should be above 0.7. However, this value is sensitive to the number of items on the scale. If the number of items on the scale is less than 10, Cronbach’s alpha coefficient tends to be low [22]. The value of 0.903 obtained in this study indicates that the scale is very reliable and shows a very good correlation among the items. Additionally, the “corrected item-total correlation” values indicate the degree to which each item correlates with the total score. The “corrected item-total correlation” values are positive (except for “gender” and “occupation”, which were negative and excluded) (data not shown). However, the newly calculated Cronbach’s alpha value (0.908 for N = 33) was not different from the original value of 0.903. The negative values for “gender” and “occupation” and also

for the “minimum” and “maximum/minimum” values in Table 2 indicate that these items were not correctly “reverse scored”. The observed inter-item Correlation values range from .058 to 0.635, and the mean is 0.24 (optimum range of the mean is 0.2 to 0.4), indicating a strong relationship among the items.

**Table 2.** Cronbach’s Alpha reliability statistics

Cronbach's Alpha		N of Items					
.903		35					
Summary Item Statistics							
	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.240	-.195	.764	.959	-3.919	.031	33

The histogram from **Figure 3** based on the age of respondents has a bell shape, showing that the data is normally distributed. Further, the descriptive statistical tests (using skewness and kurtosis) were also run on the age of the respondents to understand the normality of the data and the results are shown below.



**Figure 3.** Normality checked on respondent’s age

**Table 3.** Skewness and Kurtosis normality checked on respondent’s age

Age		
N	Valid	117
	Missing	0
Mean		1.93
Median		2.00
Mode		2
Std. Deviation		.666
Skewness		.255
Std. Error of Skewness		.224

Kurtosis	-0.084
Std. Error of Kurtosis	.444

The statistics methods of Skewness and Kurtosis were further used to judge the normality of the data (i.e. if it comes from a normally distributed population or not). From **Table 3**, the Skewness and Kurtosis values are 0.255 and - 0.084, respectively, indicating the ‘spreadness’ of the distribution and are within the normal limits of a normal distribution. We may, therefore, consider that the variable “age” in the population may be normally distributed.

**4.3 Discussions on Response Rate**

**4.3.1 Objective 1: Perceptions of BRI partnership for job opportunities in Madagascar**

The responses from the questionnaire were divided into two categories, whereby questions were aimed toward understanding the views of respondents on two main issues; the impact of BRI on (i) job creation potential (*J*) (ii) policy/economic implications (*P*). In the first objective, the respondents were asked to state their level of agreement, on a Likert Scale of 1 to 5, to perceptions of BRI partnership toward potential positive or negative outlooks for job opportunities in Madagascar. The results are presented in Tables 4.1 and 4.2;

**Table 4.1** Perceived contribution of BRI partnership toward positive outlooks for job opportunities in Madagascar, *N* = 117

No	Ranked Statement based on mean values	A/SA	AVG	D/SD	M	SD
J11	China’s BRI will create new business and job opportunities in Madagascar	80.3%	17.1%	10.7%	4.10	.803
J13	China’s BRI will encourage greater cultural cooperation between China and Madagascar	82.1%	12.0%	6%	4.05	.869
J7	China’s BRI for road infrastructure plans will help in Malagasy tourism development	81.2%	16.2%	2.6%	4.05	.729
J8	China’s BRI will help develop more local tourism	77%	20.5%	2.6%	4.02	.765
J10	Increased levels of tourism will lead to higher salaries and improved living standards in Madagascar	73.5%	23.1%	11.6%	3.96	.885
J9	China’s BRI infrastructure will help develop more international tourism in Madagascar	76.9%	19.7%	11.6%	3.93	.763
J12	China’s BRI can help the government to improve public amenities and transportation infrastructure that will benefit Madagascar	75.2%	19.7	5.1%	3.91	.847
J14	The expansion of roads under China’s BRI will potentially increase job opportunities for local contractors in Madagascar	71.8%	22.2%	6%	3.85	.857
J17	I support and will participate in plans for a common tourism strategy between China and Madagascar	68.4%	25.6%	6%	3.79	.879

Strongly Agree (SA), Agree (A), Average (AVG), Disagree (D), Strongly Disagree (SD), Mean (M), Standard Deviation (SD)

**Table 4.2** Perceived contribution of BRI partnership toward negative outlooks for job opportunities in Madagascar, *N* = 117

No	Ranked Statement based on mean values	A/SA	AVG	D/SD	M	SD
J18	BRI cooperation will give jobs to more Chinese companies over local companies in Madagascar	69.3%	23.9	15%	3.91	.919
J16	Madagascar is well known as a tourist destination in the world; China’s BRIs partnership will threaten Madagascar’s image as a tourist destination	52.1%	27.4%	28.7%	3.53	1.071
J19	Chinese citizens working on BRI projects are taking locals’ jobs	51.3%	32.5%	16.2%	3.52	1.014

The findings in **Table 4.1** reveal that an overwhelming majority (80.3 %) of the respondents had a strongly positive view that ‘China’s BRI will create new business and job opportunities in Madagascar’ (*M* = 4.10). The respondents equally (*M* = 4.05) expressed strong positive views (82.1% and 81.2%, respectively) on whether ‘China’s BRI will encourage greater cultural cooperation between China and Madagascar’ and ‘China’s BRI for road infrastructure plans will help in Malagasy tourism development’. Since Madagascar is a well-known tourist destination in the world, we wanted to seek the respondents’ views on whether China’s BRIs



partnership will threaten Madagascar’s image as a tourist destination. The results (**Table 4.2**) show that a general agreement (52.1%) and an on-the-fence opinion (27.4%) toward the potential threat posed by a BRI partnership to Madagascar tourism was expressed. However, with respect to the general perceptions on the issues of BRI prospects for Madagascar, the majority of the respondents expressed the strongest negative view (28.7 %,  $M = 3.53$ ) when asked if China’s BRIs partnership will threaten Madagascar’s image as a tourist destination. With equal weight (51.2 %,  $M = 3.52$ ) to a potential threat of China’s BRIs partnership to Madagascar’s image as a tourist destination are the implications of a perceived BRI partnership to employment opportunities. Among all respondents, the second highest disagreement (16.2 %) and a 51.3% agreement were held on the opinion that ‘Chinese citizens working on BRI projects are taking locals’ jobs.’ Also, there was a 69.3% agreement to the statement that ‘BRI cooperation will give jobs to more Chinese companies over local companies in Madagascar. This observation is also in parallel with the observed overwhelming agreement (80.3%) that ‘China’s BRI will create new business and job opportunities in Madagascar’. We can thus deduce that a strong and well-structured BRI cooperation will create enough opportunity for both local and Chinese workers to co-exist positively, advancing the spirit of a win-win situation on which the core of the BRI lies [Anquan, 2019].

The findings of the study align with several research findings that assessed Chinese partnerships and BRI/foreign investments to local employment opportunities in Pakistan, Kenya, Kyrgyzstan, Bangladesh and globally [Foo et al. 2020]. Thompson and Zang [29] used a panel data regression approach to examine the impact of knowledge intensive foreign direct investment (FDI) on both new firm formation and the deaths of enterprises. They found that jobs created by FDI are found to not influence firm births but influence domestic enterprise through deaths. Through a meta-analysis of 47 studies, Hon et al. [2021] also found an insignificant impact of FDI on entrepreneurial activity. Li et al. used China's renewable energy investments in Pakistan as a case study to investigate the contributions of BRI investments to the local economy and employment. They found that the 28 renewable power plant projects invested by China have the potential to provide 8905 jobs and generate around USD 39.8 million in production value in Pakistan. These studies showed that appropriate participation from Chinese companies would create more value for local economies [Li, 2022].

**4.3.2 Objective 2: Perceptions on BRI partnership for economic policy impact in Madagascar.**

In the second objective, the respondents were asked to state their level of agreement, on a Likert Scale of 1 to 5, to perceptions of BRI partnership toward potential positive or negative outlooks for policy implementations in Madagascar. The results are presented in **Tables 5.1** and 5.2 below;

**Table 5.1** Perceived contribution of BRI partnership toward positive outlooks for policy implementation in Madagascar,  $N = 117$

No	Ranked Statement based on mean values	A/SA	AVG	D/SD	M	SD
P32	Negotiate hard and smartly with China for the best possible terms.	77.8%	22.2%	0%	4.12	.745
P35	Insist local companies be allowed to bid for BRI projects.	73.5%	23.1%	3.5%	4.04	.875
P34	Communicate with the public objectively about the pros and cons of BRI.	70.1%	28.2%	1.8%	4.01	.856
P28	The construction of and technical support to the Sports and Cultural Palace, the International Conference Center at Ivato, and the Anosiala Hospital are excellent	69.3%	26.5%	12.4%	3.87	.836
P27	The construction of a primary school in Madagascar under China-Africa friendship is excellent	68.4%	27.4%	4.3%	3.85	.887
P21	BRI cooperation can be one of the most important economic development options for Madagascar's tourism	66.7%	28.2%	5.1%	3.83	.823
P6	China’s BRI plans are good for Madagascar's economy.	63.3%	33.3%	11.6%	3.82	.906
P31	The Madagascar government must give BRI projects to local companies.	64.1%	28.2%	15.8%	3.79	.908
P33	Protect Madagascar's natural resources and should not include them in BRI negotiations.	59%	32.5%	16.7%	3.79	.981
P22	BRIs cooperation will promote Madagascar’s natural beauty and cultural heritage	58.1%	34.2%	7.7%	3.76	.925
P26	The restoration of the RN2 (Moramanga and Ranonambongo) road done by BRI cooperation was excellent	59.8%	39.3%	9%	3.76	.773

**Table 5.2** Perceived contribution of BRI partnership toward negative outlooks for policy implementation in Madagascar, N = 117

No	Ranked Statement based on mean values	A/SA	AVG	D/SD	M	SD
P15	BRI will lead to China having an influence over business decision making in Madagascar	74.3%	22.2%	11.6%	3.91	.777
P30	Will Madagascar struggle to pay back BRI debts?	56.6%	33.3%	10.3%	3.78	1.010
P20	Chinese companies will disregard labor conditions, socio-cultural heritage and land property rights in Madagascar	58.1%	29.1%	12.9%	3.65	1.020
P24	Will BRI policies affect Madagascar's local company's bids for projects?	45.3%	39.3%	15.4%	3.44	.978
P29	Will BRI cooperation worsen corruption in Madagascar?	41.9%	41.9%	24.4%	3.38	.926
P25	Are you confident that the BRI will ultimately lead to win-win situations between China and Madagascar?	47%	34.2%	18.8%	3.35	1.003
P23	Madagascar government has done enough for tourism infrastructure development and does not need China's BRI cooperation	34.2%	27.4%	38.5%	3.00	1.218

In terms of policy formulations, the findings in **Table 5.1** reveal that an overwhelming majority (74.3 %) of the respondents agreed with the statement 'BRI will lead to China having an influence over business decision making in Madagascar' (M = 3.91). While most of the respondents (Items P6 and P21) had a strong agreement (63.3% and 66.7%, respectively) that 'China's BRI plans are good for Madagascar's economy' and 'BRI cooperation can be one of the most important economic development options for Madagascar tourism', they equally had strong reservations that Madagascar will be able to repay its BRI debts (Item P30, Table 5.2). The concerns of the respondents were found to be backed by the following research;

A number of African countries (e.g., Egypt, Ethiopia, Côte d'Ivoire, Guinea, and Tunisia) were reported to be part of the Asian Infrastructure Investment Bank (AIIB), one of the major BRI financiers with about \$100 billion. Madagascar was a prospective member in 2017. Although these countries can access loans and other capacity-building assistance towards infrastructure projects, the question still remains whether they will be able to fulfill their debt to China [Githaiga, 2019]. A parallel observation can be drawn from the studies of Toktogulova [26], who analyzed the economic cooperation between China (the largest trading partner and the highest source of FDI) and Kyrgyzstan. It was found that pre-BRI engineering projects in Kyrgyzstan have a more significant economic impact than post-BRI engineering projects, such that most of the BRI engineering projects in Kyrgyzstan are still in progress or yet to be implemented. It can be argued that non-completion and/or delayed projects were due to Kyrgyzstan's political risk and poor economic base, which could inadvertently lead to a rise in the BRI debts of the country. This situation is similar to the situation in Madagascar. As such, Madagascar can draw parallels from the case of Kyrgyzstan for policy implementation towards a win-win BRI cooperation with China [26]. The recommendation to assist policymakers and key stakeholders is to effectively prioritize funding for BRI engineering projects in terms of infrastructure - railway and road projects. This framework is not limited to only Central Asia countries but can also be applied to other BRI participating or potential countries - particularly low-economy and natural resource-abundant countries such as Madagascar. The end product of cooperation between these countries and China will be to use their valuable natural resources as loan repayment avenues to China. It is, nonetheless, equally reasonable to mention that most of the AIIB member countries have already begun to reap concrete benefits from the BRI initiative, and Madagascar can do the same. The respondents also had favorable views about the already completed BRI partnership deals in Madagascar (Items P26, P27, and P28, Table 5.1). This goes to show that insofar as the BRI partnership is well-intentioned, a China-Madagascar partnership could have benefits for the development of the country.

According to Githaiga et al. [2019], the BRI's vision for China and beneficiary countries can lead to integrated and streamlined economic and infrastructure development while improving and generating mutual benefits to both the benefactor and beneficiaries. However, Githaiga et al. [2019] argue that for those BRI-based benefits to materialize, challenges particularly relating to security risks and corruption, which could increase the long-term costs of infrastructure projects for countries involved, need to be addressed. This is in direct response to item P29 in **Table 5.2**. It seems the respondents are skeptical of the fact that Madagascar has done enough to tackle corruption in the country, and a BRI partnership can be a double-edged sword which could either help curb or fuel corruption among top officials.

Of notable consideration is the respondents' opinion on China's intentions for BRI partnerships. For this reason, items P15, P31-P35 was designed to observe the respondents' perceived views on China's intentions for BRI partnerships in Madagascar. As can be seen from Tables 5.1 and 5.2, none (0%) of the respondents disagreed that Madagascar should 'negotiate hard and smartly with China for best possible terms.' Only a small percentage (5.6%) disagreed when asked whether the Madagascar government should 'insist local companies be allowed to bid for BRI projects.' and 'communicate with the public objectively about the pros and cons of BRI.'

It is generally valid to procure the public's view on these items due to the following reasons; It was reported that China's security presence in Djibouti as a result of BRI sponsorships is meant as a symbol of China's expanding interests and to maintain open commercial channels, protect economic interests, and provide a more secure environment [Wang, 2018]. Although Djibouti is not rich in natural resources, its strategic location on the eastern edge of the African continent and the western shore of the Indian Ocean makes it attractive to investors: making Djibouti of particular interest to China for partnership in BRI projects [Li, 2015]. Due to these benefits for China, it is paramount that the Madagascar government educate the general public on the benefits obtained and how the investment from BRI is a utility so as to be held accountable.

When asked about their perceptions of whether 'Chinese companies will disregard labor conditions, socio-cultural heritage and land property rights in Madagascar', 58.1% (M =3.65) agreed, while 12% disagreed. On the issue of 'BRI policies will affect Madagascar local company's bid for projects?' and if 'Madagascar government must give BRI projects to local companies', 45.3% and 64.1%, respectively, had a positive perception, an equal number of respondents (15.4% and 15.8%, respectively) having to disagree. On the issue of should Madagascar government 'Insist local companies be allowed to bid for BRI projects' when negotiating for BRI partnerships, only a small percentage of the respondents (3.5%) seem to disagree, while the majority (73.5%) agreed and stayed neutral (23.1%), respectively. Again, the concerns of the respondents were backed by observations from literature reports;

Halegua et al. [2020] reported that a series of Chinese policies and regulations exist that both protect the labor rights of Chinese contract workers sent abroad and require Chinese firms to comply with local labor laws. However, rather than adapting to local conditions, the labor practices of Chinese companies in many BRI jurisdictions often do not follow the rules of their host countries. This leads to the mistreatment of Chinese workers and an undermining of local labor standards. A Chinese sociologist found evidence of such abusive practices in an ethnographic study of Chinese construction firms in Africa [Lee, 2014]. The authors described the abysmal labor conditions of Chinese workers with poverty wages, late salary payments, and inadequate safety procedures (Brautigam, 2019). In 2011, Human Rights Watch reported abhorrent working conditions (such as work hours beyond the legal limit, failure to provide protective equipment, and threats to fire those workers who objected to the unsafe conditions) for local workers in Chinese-operated copper mines in Zambia [HRW 2011]. Furthermore, two Chinese researchers similarly found widespread illegal and abusive working conditions and contentious relations between Chinese workers with local employees in Kenya and Indonesia. However, the situation seems to be better in developed countries where Chinese investment projects are held. It was reported that Chinese firms pay better salaries and provide better conditions for their workers in more developed jurisdictions. But this is not always the case. For example, some Chinese construction companies were caught in the situation of using forced labor, withholding workers' passports and wages and subjecting Chinese workers in the United States to poor living conditions since the early 2000s [Halegua, 2020]. It was also found that several Chinese construction companies were brought to build casinos and resorts in Saipan, an Island of the United States, under a supposed 'BRI investment project'. The primary contractor was a Chinese state owned firm. The companies only employed Chinese workers and failed to recruit local workers in addition. In the end, the Chinese firms were caught in several irregularities relating to illegal recruitment and working conditions and were forced to compensate their workers to the tune of about \$17.6 million [Halegua, 2020]. It is no surprise, therefore, that the respondents expressed concerns about labor laws, working conditions and the employment of some local workers (in addition to Chinese workers) for BRI projects. When these policies are put in place in Madagascar, appropriate participation from Chinese companies will create more value for local economies.

#### **4.4 Development of various hypotheses**

##### **4.4.1 Category 1 – Perceived disparities among demography toward opportunity for job outlooks**

Toktogulova [2021] compared the engineering projects funded by China pre- and post-BRI to understand which of them has the most significant contribution to the economy of Kyrgyzstan based on the effects on job opportunities for the locals (as a factor of Chinese contracted workers in Kyrgyzstan) and policy impacts (such as FDI from China, trade between China and Kyrgyzstan, and turnover for contracted engineering projects from China between pre-BRI (2000-2013) and post-BRI (2014-2019)). It was found that the number of Chinese workers on BRI projects increased to 5739 in 2013 from 333 workers in 2000. Additionally, 74.7% of permits given to foreigners working in Kyrgyzstan were Chinese. Several studies have also reported that the number of Chinese contracted workers and Chinese-owned enterprises are more active in infrastructure projects funded by the government of China than local counterpart enterprises [Toktogulova, 2021] [Du, 2018]. However, Daye et al. [2020] also found strong positive perceptions towards the hypothesis that the BRI would lead to higher salaries and improved living standards in Kazakhstan. Li et al. [Li, 2022] studied the benefits of BRI renewable energy investments from China and the driving mechanism for social and economic growth in Pakistan. They found that China's investments in renewable power plant projects in Pakistan have the potential to provide 8905 jobs and also generate around USD 39.8 million in production values in related sectors. In effect, the investment from China was said to increase the local cash flow, providing local businesses with more opportunities to produce and distribute their resources [Li, 2022]. Ideally, capital flows intensify inequality in low incomes economies because foreign assets are targeted to higher skill- and technology-intensive sectors, thus further widening the wage gap between skilled and unskilled labors [Dabla-

Norris, 2015]. However, foreign capital distribution has had an opposite relation when it comes to the China-Africa case. For the case of China-Africa FDI, the focus seems to be more on low-skill industries such as construction or extractive industry, which do not require high-skilled labor, thus creating more jobs for the local community but offering lower salaries compared with other investors. Ultimately, the ‘transformation effect’ of China’s FDI might not be much different than other investors [Coniglio et al., 2015]. Drawing from the above works, a study of the employment impact of the BRI can help both China and the Madagascar government design their strategies to get involved in win-win cooperation in the context of the BRI. Stemming from the above discussions, the following hypotheses are drawn for the perceived BRI implications for job opportunities in Madagascar (considering positive and negative outlook/implications) based on demography;

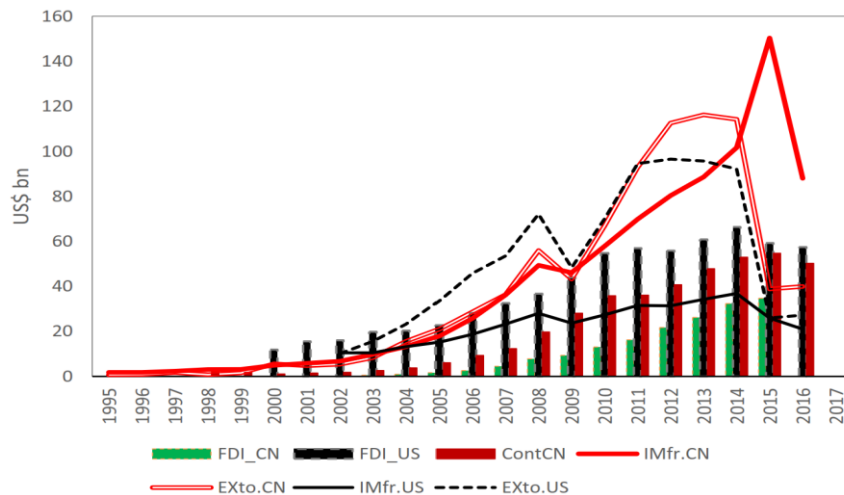
- H1:** There is no association between gender and perceived views of BRI partnership impact on job opportunities
- H2:** There is no association between education level and perceived views of BRI partnership impact on job opportunities
- H3:** There is no association between country/continent of origin and perceived views of BRI partnership impact on job opportunities

**4.4.2 Category 2 – Perceived disparities among demography toward policy implementation outlooks**

It is known that poor institutions in many developing countries are a significant determinant of FDI initiatives. It is also known that several developing nations are natural resource-abundant economies, unfortunately, are plagued with poor institutions. They thus attract a significant amount of FDI [Asiedu 2016], often exploitative in nature. Several reports have associated a seeming positive nexus between Chinese FDI and welfare [Asiedu et al., 2006]. These same reports also observed a pattern of an exploited nature with the FDI directed toward African economies with abundant natural resources (resulting in a subtle detriment to the development of these economies) [Cheung, 2014]. With regard to these, several concerns have been raised about Chinese FDI presence in African economies, although China has, however, declared that it aims at “win-win” cooperation with African countries with investments aimed at benefiting both parties involved (Atitianti, 2022).

For example, the trade disparity between China and African countries is staggering (**Figure 4**). A higher Chinese export to sub-Saharan Africa was met, in reverse, with lower African manufactured exports to China [Atitianti, 2022]. Although the importation of cheaper goods from China may enhance consumer welfare for the poor in small economies, there is evidence of its detrimental contribution to both production quantity and jobs (in the furniture and clothes sector) [Kaplinsky, 2008]. Kaplinsky and coworkers [Kaplinsky, 2009] report that Lesotho, Swaziland, Madagascar, Kenya and South Africa suffer from the massive entry of cheap goods from China.

Although China and Madagascar have emerged to have an indispensable tie, current trends in regional trade have shown an increase and continuous value of imports originating from China, with only a modest export from Madagascar to China. Thus, the development of imports and exports of Madagascar with China do not evolve at the same rate, resulting in an imbalance of trade, with the exchanges, of course, being in favor of China. In the future, it can be argued that the Malagasy Government could rethink trade with China and consider if the benefits exist in the economic term. Furthermore, through improved policy formulation for win-win cooperation, Madagascar could accumulate the funds needed to finance its development process; to know if Chinese cooperation is an alternative solution after half a century of unsuccessful cooperation with Europe and if another form of economic domination is required.



**Figure 4.** The export-import trade volumes between China and Africa [43].

However, some stakeholders are still unconvinced about China’s motive for its rising investment in Africa [Atitianti, 2022]. Therefore, a knowledge of the policy impact of the BRI can help both China and the Madagascar government design their strategies to get involved in win-win cooperation in the context of the BRI. Thus, the following hypotheses are drawn for BRI implications for policy impact in Madagascar (considering positive and negative outlook/implications) based on demography.

**H4:** There is no association between gender and perceived views of BRI partnership impact on economic policy impact.

**H5:** There is no association between educational level and perceived views of BRI partnership impact on economic policy impact.

**H6:** There is no association between country/continent of origin and perceived views of BRI partnership impact on policy formulation

**4.5 Testing the hypotheses**

**4.5.1 Disparities among gender**

To test hypotheses 1 and 4, Chi Square tests were run on the variables of gender and the means of variables in Tables 4 and 5, transformed into a Likert scale such that 1-2.60 = negative views (Disagree, D), 2.61-3.40 = neutral views (N) and 3.41-5.0 = positive views (Agree, A).

From **Table 6**, only a slight difference can be seen between gender when it comes to the views on whether a BRI partnership will have implications for job opportunities in Madagascar. It can be seen that within gender (N of females = 51, N of males = 66), about a 13.3% difference can be seen in agreement that the BRI partnership will have implications for job opportunities in Madagascar. Out of the male respondents, the majority (A = 56.6 %, N =58.8 %, D = 0 %) had a positive outlook for BRI partnership implication for job creation as compared to females (A = 43.4%, N =41.2 %, D =100 %). On the contrary, an almost equal percentage of male and female respondents agreed to a negative outlook toward a BRI partnership for job opportunities (A = 52.2 %, and 47.8%, respectively). However, more males than females disagreed with a negative outlook for BRI partnership implication for job creation in Madagascar (**Figure 5a-b**). For the Chi-square test (**Table 7**), the Pearson Chi-square values are 1.335 and 1.408, and the p-values are .513 and .495 for perceived positive and negative (respectively) job outlook through BRI partnership. The associations are not statistical significance for both positive ( $\chi^2$  (N=117, 2) = 1.335, p = .513) and negative ( $\chi^2$  (N=117, 2) = 1.408, p = .495) outlooks.

In terms of policy formulations, an equal percentage of males and females (50 %) had a negative outlook towards the implication of BRI partnership for policy making in Madagascar. However, more male respondents also disagreed with both positive and negative outlooks for the effects of BRI partnerships on policy formulation (**Figure 5c-d**). Again, the associations are not statistical significance for both positive, [ $\chi^2$  (N=117, 2) = 1.139, p = .566] and negative [ $\chi^2$  (N=117, 2) = 3.320, p = .190] outlooks of BRI partnership for job opportunities. However, since all the p-values are > 0.05, we cannot reject the null hypotheses 1 and 4. Additionally, the differences between expected and actual counts of respondents in all categories, assuming there was no gender difference, is minimal (data not shown), showing that there is likely limited or no statistically significant difference between gender views. Therefore, it can be said that there is no association between gender and outlook toward BRI partnership for job opportunities and policy formulations in Madagascar.

**Table 6.** Testing hypotheses 1 and 4 for gender views on potential BRI impact on job opportunities and policy formulation outlooks

		Gender			
		Male		Female	
Perceived positive outlook for jobs	Disagree	0	0.0%	1	100.0%
	Neutral	10	58.8%	7	41.2%
	Agree	56	56.6%	43	43.4%
	Total	66	56.4%	51	43.6%
Perceived negative outlook for jobs	Disagree	3	75.0%	1	25.0%
	Neutral	28	60.9%	18	39.1%
	Agree	35	52.2%	32	47.8%
	Total	66	56.4%	51	43.6%
Perceived positive outlook for policy	Disagree	1	100.0%	0	0.0%
	Neutral	13	61.9%	8	38.1%
	Agree	52	54.7%	43	45.3%
	Total	66	56.4%	51	43.6%
Perceived negative outlook for policy	Disagree	2	100.0%	0	0.0%
	Neutral	33	62.3%	20	37.7%

Agree	31	50.0%	31	50.0%
Total	66	56.4%	51	43.6%

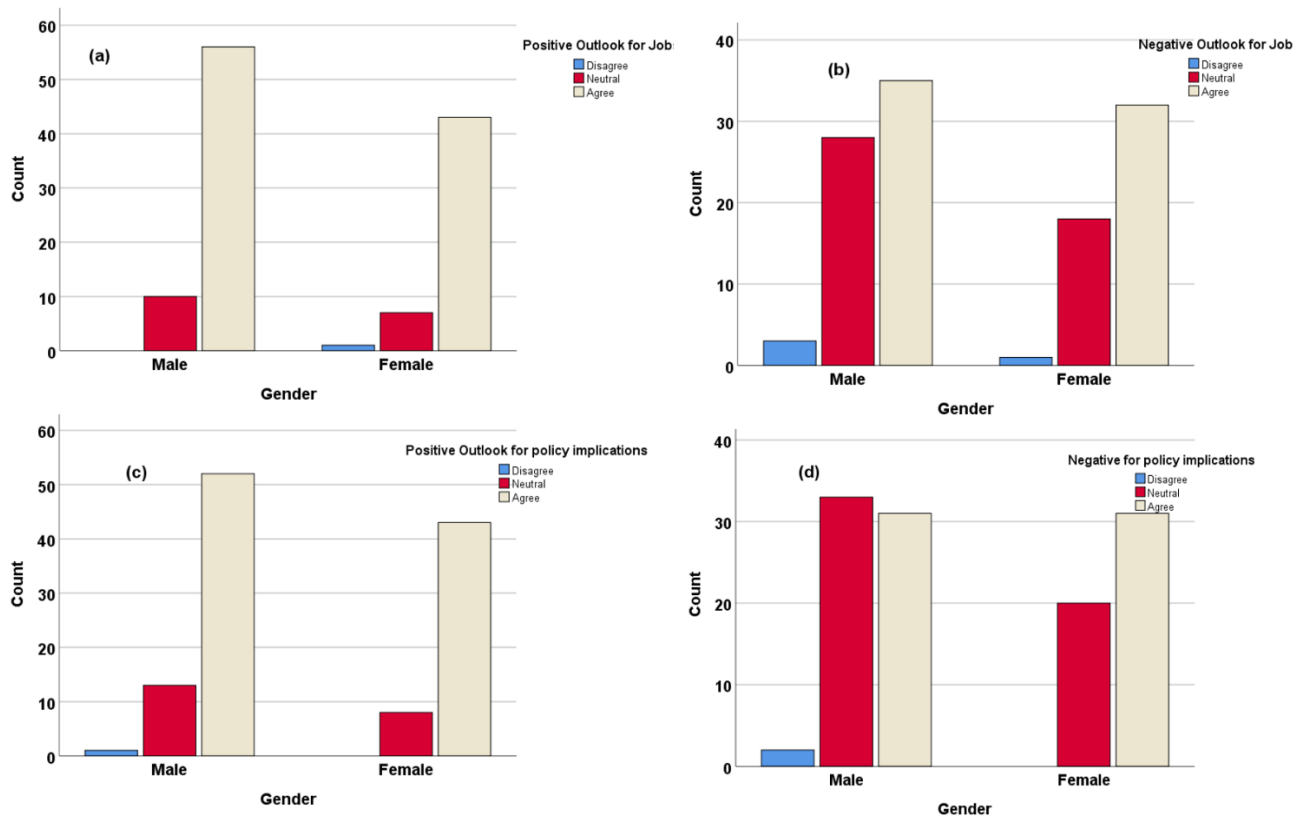
**Table 7.** Chi-Square Tests of Hypothesis 1 and 4 for Gender Views on potential BRI impact on job opportunities and policy formulation outlooks

		Gender
Perceived positive outlook for jobs	Chi-square	1.335
	df	2
	Sig.	.513 <sup>a,b</sup>
Perceived negative outlook for jobs	Chi-square	1.408
	df	2
	Sig.	.495 <sup>a</sup>
Perceived positive outlook for policy	Chi-square	1.139
	df	2
	Sig.	.566 <sup>a,b</sup>
Perceived negative outlook for policy	Chi-square	3.320
	df	2
	Sig.	.190 <sup>a,b</sup>

In each innermost subtable, results are based on rows and columns that are not empty.

<sup>a</sup> More than 20% of cells in this subtable have expected cell counts of less than 5. Chi-square results may be invalid.

<sup>b</sup> The minimum expected cell count in this subtable is less than one. Chi-square results may be invalid.



**Figure 5.** Respondents' perceptions of BRI partnership for (a) positive and (b) negative outlook for job opportunities, (d) positive and (d) negative outlook for policy formulation in Madagascar.



**4.5.2 Disparities among education level**

To test hypotheses 2 and 5 for educational level views on potential BRI impact on job opportunities and policy formulation outlooks, one-way ANOVA tests were run, and the results are shown in **Table 8**. Levene’s test of homogeneity of variance is significant for both positive outlooks for jobs and policy since all their p-values are < 0.05. Thus, the equal variance was not assumed for these groups since there are significant differences. However, Levene’s test of homogeneity of variance is insignificant for both negative outlooks for jobs and policy since all their p-values are > 0.05.

From the ANOVA results, the associations are not statistically significant for all outlook situations;  $F(2, 114) = 2.269, p = .108$  and  $F(2, 114) = 0.439, p = .646$ , for both positive and negative outlooks of BRI partnership for job opportunities, respectively.  $F(2, 114) = 2.218, p = .113$  and  $F(2, 114) = 0.622, p = .529$ , for both positive and negative outlooks of BRI partnership for policy formulations, respectively. In all situations, since all the p-values are > 0.05, it means that the variances of outlooks in all the education levels are equal (i.e., we cannot reject the null hypotheses 2 and 5, or they are not violated).

**Table 8.** One-Way ANOVA Test of Hypothesis 2 and 5 for educational level views on potential BRI impact on job opportunities and policy formulation outlooks

Test of Homogeneity of Variances			Levene Statistic	df1	df2	Sig.
Positive outlook for Jobs		Based on Mean	11.234	2	114	.000
Negative outlook for job		Based on Mean	.852	2	114	.429
Positive outlook for policy		Based on Mean	11.179	2	114	.000
Negative outlook for policy		Based on Mean	.834	2	114	.437

ANOVA			Sum of Squares	df	Mean Square	F	Sig.
Positive Outlook for jobs	Outlook	Between Groups	.686	2	.343	2.269	.108
		Within Groups	17.229	114	.151		
		Total	17.915	116			
Negative Outlook for jobs	Outlook	Between Groups	.283	2	.142	.439	.646
		Within Groups	36.794	114	.323		
		Total	37.077	116			
Positive Outlook for policy	Outlook	Between Groups	.767	2	.384	2.218	.113
		Within Groups	19.712	114	.173		
		Total	20.479	116			
Negative outlook for policy	outlook	Between Groups	.359	2	.179	.622	.539
		Within Groups	32.872	114	.288		
		Total	33.231	116			

**4.5.3 Disparities among Countries/Continent of origin**

One-way ANOVA tests were run to test hypotheses 3 and 6, and the results are shown in **Table 9**. The results of the one-way ANOVA showed a statistical difference between country/continent of origin and positive outlook situations; i.e., perceived positive job outlooks,  $F(5, 114) = 2.449, p = .038$ , and perceived positive policy outlooks,  $F(5, 114) = 4.925, p = .023$ .

The p-values < 0.05 implies that not all group means are the same. However, the ANOVA test does not provide information about which group means are different. To understand which group means are different, the Turkey HSD post-hoc analysis was used to reveal that the difference of means of country/continent of origin and positive outlook situations are not statistically significant as p-values are > 0.05. Therefore, we can again say that there are no statistical significances among country/continent of origin views on potential positive BRI impact on both job opportunities and policy formulation outlooks (not reject the null hypotheses 3 and 6 for positive outlooks). A generally high positive outlook for BRI partnership for both job opportunities and policy formulation among all countries/continents of origin can be observed.

**Table 9.** One-Way ANOVA Test of Hypothesis 3 and 6 for Country/Continent views on potential BRI impact on job opportunities and policy formulation outlooks

Test of Homogeneity of Variances			Levene Statistic	df1	df2	Sig.
Positive outlook for Jobs		Based on Mean	2.559	5	111	.031
Negative outlook for job		Based on Mean	6.863	5	111	.000

Positive outlook for policy	Based on Mean	2.723	5	111	.023
Negative outlook for policy	Based on Mean	8.595	5	111	.000

**ANOVA**

		Sum of Squares	df	Mean Square	F	Sig.
Positive outlook for Jobs	Between Groups	1.780	5	.356	2.449	.038
	Within Groups	16.135	111	.145		
	Total	17.915	116			
Negative outlook for policy	Between Groups	2.023	5	.405	1.281	.277
	Within Groups	35.054	111	.316		
	Total	37.077	116			
Positive outlook for policy	Between Groups	3.718	5	.744	4.925	.000
	Within Groups	16.761	111	.151		
	Total	20.479	116			
Negative outlook for job	Between Groups	3.072	5	.614	2.261	.053
	Within Groups	30.159	111	.272		
	Total	33.231	116			

**5. Conclusion**

The major significance of China's "Belt and Road Initiative" (BRI) strategy is to offer suggestions and achieve a "win-win" economic development between China and other countries. Chinese enterprises have carried out corporate social responsibility activities in Madagascar, contributing to the national economy and social development and impacting citizens' livelihood. This study compiles the sentiments of a varying pool of youthful respondents, which can be beneficial to policy formulation for job creation in Madagascar. The country has huge potential for economic development, and its status in the BRI is self-evident. The survey design provided relevant qualitative descriptions of the perceptions of a wide range of respondents on the impact of China's BRI on job creation and policy impact for Madagascar – looking specifically at areas such as tourism job creation and construction industries, since Madagascar is a booming tourist destination. The majority of the participants are youthful, a representation of the youthful workforce in Madagascar who are expected to be affected by policy implementation by government officials. The suggested reforms in this study include establishing the appropriate conditions for a strong and well-structured BRI cooperation to create enough opportunity for both local and Chinese workers to positively co-exist, advancing the spirit of a win-win situation on which the core of the BRI lies. The respondents expressed concerns about labor laws, working conditions and the employment of some local workers (in addition to Chinese workers) for BRI projects. When these policies are put in place in Madagascar, appropriate participation from Chinese companies will create more value for local economies. Finally, on a practical level, the finding from this study will allow the Malagasy government to rethink trade with China and consider if the benefits exist in the economic term. It will be beneficial if, through this cooperation, Madagascar could accumulate the funds needed to finance its development process; to know if Chinese cooperation is an alternative solution after half a century of unsuccessful cooperation with Europe and if another form of economic domination is required.

**5.1 Limitations and Recommendations**

As in any research, this study has certain limitations. First, the method used in this study was a purely quantitative approach, lacking on-the-ground and practical understanding from the locals. For boosting the understanding, viewpoints from local experts would be helpful to further discuss the result. However, it was difficult to obtain input from expert stakeholders due to logistic reasons. Second, the research sample was made up of 117 respondents from different parts of the world. Although the respondents are active youths of employment type with valuable inputs, it could be a limitation such that their views might not be adequate for generalization. Third, the BRI perceptions of the respondents are sensitive to geographical location and region. This means that a survey with the same sample from respondents from different geographical locations or countries may not be valid for one particular country (although it has helped provide a major source of comparison in this study). In this regard, it is suggested that further researchers should take the current constraints into consideration and use different measurement scales measuring the connection between the BRI and its impact on the Madagascar economy.

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