African Drives in Snowballing Engagement with the Chinese: The Case of Nigeria

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Abstract

China’s increasing engagement in Africa is not without controversy. While many pundits have seen China as a genuine partner to Africa and its development, others believe its engagement is largely exploitative – a parasitic relationship driven primarily by China’s interest in Africa’s resources. However, few analyses have approached Sino-Africa relations as a vibrant, two-way dynamic in which both sides adjust to policy initiatives and popular perceptions emanating from each other. This paper contradicts the assumption of most literature to date that seems to borrow from the logic of dependency theory and present African economic as pawns, subject to the demands of a dominant and exploitative China, who is benefiting at Africa expenses. Arguably, Africans are willing partners of the Chinese, driven by their state-centric belief that engagement with the Chinese is in their national interest. For Nigerians, they are engaging with China because it is in their best interest and as the relationship continues to grow, it will need to be managed in order to maximize the benefit to Nigeria.

Keywords: Africa; China; Dependency Theory; Investment; Nigeria

Introduction

China’s deepening engagement in Africa has provoked a range of reactions in both Africa and the West. In Africa, these reactions are fueled in some cases by hopes for what China can bring to the continent in trade, investment, and alternative development partnership; in other cases, most experts of China’s engagement with African economies center their emphasizes on what China benefits out of the cooperation – primarily natural resources and export markets to fuel its burgeoning economy, and agricultural products to feed its increasingly urbanized population. China’s emerging role in Africa is much broader than security resources, the one that mirrors wider changes worldwide as China is attempting to be a major actor in international policies in the 21st century in terms of not only economic investment, but also military expenditure and peace building across the several post-conflict environments in Africa [1]. The idea that China would be crucial to African development is neither new nor accidental. In fact, Chinese policymakers have been aware of this notion for quite some time. China’s Ya-Fei-La Strategy, literally meaning “Asia-Africa-Latin America” was conceived during the Maoist era in the 1960s in an attempt to promote the advancement of developing country goals in a new world order [2].

Since then, China has played an active role in promoting South-South cooperation, being Africa-China cooperation a significant part of the equation. Still, on the active role, in his 10-count deliverables at the Forum on China-Africa Cooperation (FOCAC) Summit held in Johannesburg in South Africa in December 2015, the Chinese President Xi Jinping reaffirmed his country’s support to poverty alleviation in Africa under the plan for 2016-2019. The Chinese President asserts that China is willing to assist African countries by sharing its experience in poverty alleviation. In a three-year (2016-2019) plan, China pledged US$60 billion to support the continent of Africa in its quest to alleviate poverty in a perspective that falls parallel to the World Bank’s target of eliminating poverty by 2030 globally and the African Agenda that intend to create the ‘Africa we want’ by 2063. All these are ways of demonstrating its good intentions as well as creating an environment conducive to commerce and friendly political relations. Africans generally view China as a positive influence. In a recent survey, China’s growing presence in Africa wins largely positive popular reviews. Recent results from Afrobarometer’s [3] 2014/2015 surveys in 36 African nations, assert that the public holds generally favorable views of economic and assistance activities by the Chinese. Africans rank the United States and China in the first and second position, respectively, as development models for their own nations.

Remarkably, in the three of five African regions, the Chinese either matches or surpass the United States in popularity as a development model. In terms of their recent impact, the two nations are outpaced only by Africa’s former colonial powers. Public perceptions not only confirm China’s important economic and political role in Africa but also generally portray its impact as beneficial. African economies generally welcome China’s willingness to provide aid without preconditions that they respect human rights to ensure government transparency, as typically required by the United States and many other international donors. In some few cases, the new analyses have approached Sino-Africa relations as a vibrant, two-way dynamic in which both sides adjust to policy initiatives and popular perceptions emanating from each other. The current growth of China’s impact and enterprise across African economies has drawn global attention. As a result, both economic and political implications are emerging at the global level, attempting to address potential repercussions to the African populace, the estimated consequences to Western interests in Africa and overarching effects at the global level.

According to dependency theory, Africans are involving with the Chinese because China wants to involve with Africa. However, noted African scholars continue to stress that, while the Chinese may be driven by their own domestic demands, their activity is defined by the African government and institutions with whom they wish to interact [4,5]. As
such, African motivations matter because they are at the core of China-Africa relations. African economies and their institutions are taking a more active role than what the current literature gives them credit for. The reasons Africans seek relations with China affects the nature and levels of Chinese involvement within states’ borders. In addition, levels of monitoring and types of domestic policies play a key role in defining the character, impact, and implications of China’s presence in African. Unfortunately, the literature lacks explanations of African perspectives and offers a minimal discussion of African actors’ roles in permitting and controlling China’s involvement. Some studies claim that the impact of Chinese engagement in Africa, whether positive or negative, whether on a comprehensive scale or a small scale benefiting the elite, will be determined by African governments and their policies regarding China [4,5]. While it is clear that African states have found a new partner for trade, aid and perhaps even political and diplomatic support to resist Western-initiated policies and intentions, it is also apparent that to accrue any sort of lasting benefit, African state must actively manage their relationship with China. Existing research has yet to adequately address the motivations of Africans who choose to engage with China and African perspectives on this growing relationship. This study will attempt to address these questions in part by exploring Nigeria’s China policy. In this context, Nigeria presents a unique case study upon which to assess China’s goals and ambitions in Africa. The key aim of this paper is to determine the nature of China-Nigeria relations and to ascertain Nigeria motivations in this engagement.

The rest of the paper is structured as follows: Section 2 examines the intertwined interests of China and its African partners, exploring what each wants from the other; both sides derive significant political and economic benefits from their interactions; section 3 examines dependency theory in Africa, noting that its logic has been applied to much of the literature on Chinese engagement in Africa. The chapter begins with a discussion of dependency theory, its root and development, followed by an interpretation of the current state of affairs in Africa and Nigeria, and a discussion of the relationship with China viewed through the lens of dependency theory. The section then shows state-centric realism as a sufficient framework via which to comprehend and assess China-Africa and China-Nigeria cooperation, especially Africa and Nigeria aspect of engagement with China. Section 4 examines the motivations of Nigeria in their engagement with China, answering the questions of who in Nigeria is engaging with China and why. Section 5 concludes the paper.

Taking Stock of the Intertwined Interests of China and Africa Engagement

Taking stock of China’s evolving interest with Africa

Contrary to the conventional perception regarding China’s interest in Africa, China’s interest in Africa includes at least four dimensions of national interest: firstly, China’s interest lies in prosperity, security, and stability in Africa. China’s concern in the region also lies in ensuring Africa’s well-being, safety of China’s investment as well as the continuation of its commercial activities; secondly, policy legitimacy ensuring Africa’s well-being, safety of China’s investment as well as the continuation of its commercial activities; thirdly, markets for Chinese exports and lastly, access to natural resources. China’s increasing engagement is accompanied by a strong diplomatic push to build a friendly partnership with African governments, to seek Africa valuable diplomatic backing to defend its interest in international forums for China’s ambitions and worldview, and given the size of the African voting bloc. For that reason, Africa represents a significant voting bloc for Chinese-led initiatives or against Western-led initiatives with which China disagrees. The Chinese government believes that strengthening Sino-Africa relations help raise China’s own international impact and assists China’s cause of building a more “just international order” that advances equality, peace, and prosperity globally.

The success of China in Africa has strengthened the country’s status as a global superpower. Also, Africa plays a significant role in the diplomatic jostling between the People’s Republic of China (PRC) and the Republic of China in the United Nations. Out of the 76 overall votes backing the PRC taking over the Chinese seat from Taiwan in 1971, 26 votes came from African countries. This incident led Mao Zedong to claim that “it was our African brothers who carried us into the United Nations. Again, in the aftermath of the Tiananmen Square event of 1989, China was faced with serious global isolation and Western sanction. It was six African nations (Zambia, Zimbabwe, Mozambique, Lesotho, and Botswana) that stepped up and saved China from the quagmire. In appreciation for the tremendous political favor, China has reciprocated by making Africa the first destination of Chinese foreign minister visit. China’s top leaders made high-level visits to Africa in 1979, 1982-1983, 1984, 1997, 2001, 1992, 1996, 2000, and 2002. Vice-premier Qian Qichen visited over thirty-six African countries between 1990 and 1998. The flurry of activity we see today has deep roots and therefore laid the foundation for an intense diplomacy that continues unabated today.

Additionally, throughout the 2000s, China’s number one interest remains securing access to natural resources to advance its burgeoning and ambitious industrial development efforts. However, this demand for primary goods such as zinc, petroleum, iron, and copper assisted African nations to alleviate poverty more than it had in decades. The demand for resources has also affected the trade volume between China and Africa significantly in the last decade. China’s trade with Africa has grown ten times in the last decade. China’s trade with Africa recorded $10 billion in 2000; in 2014, the figure grew to $220 billion. However, the developing tale of increase in trade between China and Africa changed in 2015; from January to October 2015 the trade between both parties’ decrease to $147.6 billion; the trade volume decrease by 18 per cent year-on-year, but in 2016, the trade volume increases to $149.2 billion making China Africa’s largest trading partner for the eighth consecutive years [6]. China trade with Africa is largely import driven, with China taking petroleum mostly from Nigeria, Angola, Equatorial Guinea, Ghana, Cameroon, the Republic of Congo, Gabon, Uganda, South Sudan, and the Sudan. It purchases copper, cobalt, cadmium, ferrochrome, platinum, coltan, diamonds, and gold largely for industrial purposes from countries such as the Democratic Republic of Congo, Liberia, South Africa, Zambia, and Zimbabwe. Some of the largest African exporters to China are South Africa and Angola, followed by the Democratic Republic of Congo, Mauritania, Sudan, South Sudan, and Zambia as shown in Figure 1.

As the world’s largest importer of iron ore, China has also been diversifying its purchases away from traditional suppliers such as Australia and South Africa to trade for the ore with fifteen African nations including such previously globally unimportant producers


"Marius Fransman, South African Deputy Minister of International Relations and Cooperation, Keynote Address to the Ambassadors’ Forum on China-South Africa Diplomatic Relations at 15 Years”, Pretoria, South Africa, September 19, 2013.
of the metal as Guinea-Bissau, Swaziland, Tanzania, Uganda, and Zambia. China takes sesame oil and seeds, primarily from Ethiopia, have been rising in export to China. It fishes off Senegal and other African coastal nations. China grows cassava, maize, and sorghum in such place as Zimbabwe and Madagascar and ships the produce home. Recently, too, China became a major purchaser of cotton grown in Mozambique, a nation not hitherto known for its cotton. But the new production was stimulated by a Chinese technical assistance effort, part of a Chinese attempt to help Mozambique improve its agricultural productivity. As a result of the resources demand, growth in sub-Saharan Africa has been very impressive over the past decade, especially in the mid-2000s when GDP growth average close to 7 percent per annum (Figure 2). However, the slow growth narrative in 2016 is as a result of the drop in commodity prices. The growth outlook for 2017 and 2018 look brighter. GDP growth is set to rebound to 2.9 percent and 3.5 percent respectively. The regional economic outlook attributes this rebound to a pickup in global activity and the backdrop of policy adjustments as shown in Figure 2.

In terms of China’s investment in Africa, recently, China’s foreign direct investment (FDI) stocks rose US$9 billion from US$26 billion in 2013 to US$35 billion in 2015. Meanwhile, Chinese FDI flows to Africa fell to US$3 billion in 2015 from US$3.4 billion in 2013 (EOM, 2017), mirroring falling commodity prices and China’s economic slowdown. It has been stated that more than half of the projected increase in global energy consumption from 2012 to 2040 occurs among nations of non-OECD Asia, a nation grouping that includes China3. To guarantee the future supply of energy, China is heavily investing in the upstream and downstream petroleum sectors in some African nations like Nigeria, Sudan, and Angola. Africa also represents a huge untapped market for Chinese products. Africa’s collective gross domestic product (GDP) is estimated to grow to $2.6 trillion by 20204. Investment in African economies can potentially facilitate China’s efforts to restructure its own economy away from labor-intensive industries, especially as labor cost in China upsurge. China’s shifting economic growth model aligns with Africa’s imminent labor forces boom, presenting a significant opportunity for both sides.

Africa provides markets for Chinese-manufactured consumables:

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China has become conscious that insecurity and instability in Africa can influence its economic interests. For that reason, China promises to offer US$60 million in free assistance to the African Union to build and maintain its arms, both its regular army and crisis response, as well as United Nations peacekeeping in Africa [7]. This is another move that will necessarily upsurge China-Africa security cooperation. In 2016, the People’s Liberation Army (PLA) installed troops, assets, and support staff in Djibouti, its first permanent overseas deployment since 1949. China has sent some 2,500 Chinese troops and police officers to serve as UN peacekeepers in Africa with the largest deployment going to these three countries, South Sudan (1,051), Liberia (670), and Mali (402): Ivory Coast, and elsewhere. In September 2015, Chinese President Xi Jinping pledged to assign 8,000 more Chinese troops to serve in a standby peacekeeping unit that could be deployed during crises. Beijing also committed itself to the United Nation’s new peacekeeping capability readiness system and allocated US$1 billion over 10 years to United Nation (UN) peace deployment fund. China also pledged some $100 million for the African Union’s standby peacekeeping force [8].

China is also specifically seeking to upgrade counterterrorism cooperation with the continent, given Africa’s struggle with militants including Boko Haram in Nigeria, al-Shabab in Somalia, and al-Qaeda in the Islamic Maghreb (AQIM) in northern Africa. China’s goal is to build up African capabilities so that African nations – as well as organizations like the African Union – can ensure their own stability. In 2015, China passed a counterterrorism law that for the first time authorizes the PLA’s deployment on overseas counterterrorism missions. The PLA has also established itself as an active security partner through military-military contacts based on training and education programs, military advisors, arms sales, and construction of military facilities. China in 2015 was the second largest supplier of weapons to sub-Saharan Africa after Russia, accounting for 22 percent of arms transfer to the region [8]. As China pushes for “democratization of international relations,”[1] the success of the so-called China’s Model and relations with non-Western and non-democratic African countries have become an increasingly important goal for China, both for domestic and foreign policy purposes.

**Taking stock of Africa evolving interest with the Chinese**

For African governments, they look to China to offer political recognition and legitimacy as well as contribute to their economic development through trade, development assistance, investment, and infrastructure that will power the continent economic transformation. To some extent, numerous leaders from Africa hope China will interact with them in ways that the Western nations do not – by engaging economically without condescendingly preaching about governance. Partly for the reason that African remains conscious of the inequities of the colonial period, African leaders are eager to be treated with respect on the international stage, both in bilateral interaction and in multilateral forums like the World Bank, United Nations, and other international organization meetings. The Chinese go out of its way to emphasize that its African partners are equal, sovereign states, and it often contrasts its position with the European’s history of exploiting Africa. According to a remark from China’s special envoy to Africa, Zhong Jianhua, he asserts this point in the run-up to President Xi Jinping’s March 2013 visit to Africa, said, “Africa wants to be treated as an equal, and this is what numerous Western nations do not understand, or at least are not willing to do.” The Chinese at least know that we have to treat people in Africa as equals[2].

In terms of human development, although China’s definition of “development assistance” is different from the West, the Chinese foreign aid program does many of the same things – offer or improve health care and poorly served communities, give backing to rural development, and train African students. China offers eight types of foreign aid which are: complete projects, goods and materials, technical cooperation, human resources development cooperation, medical assistance, emergency humanitarian aid, volunteer programs, and debt relief. To Africa, China’s aid covers a wide array of fields such as agriculture, education, transportation, energy, communications, and health. China has provided almost 900 aid projects to African nations since 1956. The aid includes assistance supporting textiles factories, hydropower stations, stadiums, hospitals, and schools. In terms of loan, the billions of dollars China commits to Africa are repayable, long-term loans. The largest Chinese financier of African loans is the China Export-Import Bank (China Eximbank). From 2000 to 2015, China Eximbank contributed US$63 billion to Africa; the top Africa nation recipients of China Eximbank financing from 2000-2015 are Ethiopia at US$7.2 billion, Angola at US$6.9 billion, and Kenya at US$6.3 billion [9] which is explained in Figure 3.

The assistance from China permits African government to highlight their willingness to stand up to Western donors. Chinese loans are not necessarily meant to access natural resources: although Angola is resource-rich country, Ethiopia is a resource-poor country. The largest China Eximbank commitment was a US$ 3.6 billion (in two tranches) in 2014 to build the Standard Gauge Railway from Mombasa to Nairobi in Kenya. The second largest loan was a commitment of US$3.6 billion (split between Ethiopia and Djibouti) in 2013 for the construction of the Addis Ababa-Djibouti Railway. Africa continues to lag behind the rest of the developing world in the quality of its infrastructure service. So, African governments are particularly eager for financing in infrastructure that can promote intra-trade as well as attract investment. Recently, the International Monetary

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[1]Democratization of International relations in China’s perspective emphasizes the diversity of countries’ political systems, the opposition to power politics and unilateralism.

Fund (IMF) estimated that budget spending on infrastructure by sub-Saharan African nations reached around $51.4 billion [10], meaning there is a financing gap of about $41.6 billion. External commitments, both private and public, seem to fill a substantial share of this gap where China has become a key bilateral source of financing as well in Figure 4. China’s initiative to build and improve infrastructure such as roads, railways, and telecom systems have been a boon to Africa’s manufacturing sector, and have freed up domestic and resources for other critical needs such as health care and education, and have aided everyone doing business in Africa.

African nations desperately need to create stable employments. According to McKinsey Global Institute, found that only 28 percent of African labor force has stable salaried employments – far below other developing regions, like East Asia (48 percent), Latin America (63 percent). So, African governments would presumably welcome investments that generate employments, especially via value-added production, no matter where the investment comes from. Nevertheless, overseas investment in African manufacturing, especially from Western nations, is minimal. The lack of Western investment or aid for large-scale private sector manufacturing leaves the Chinese alone in their increasing involvement in this sector7. It can be argued that China’s presence in Africa is timely.

African governments seek China’s support for military equipment, weapon, and training. Some seek Chinese material to supplement what they acquire from the West. However, several abusive African governments that have been sanctioned by the West rely more heavily on Chinese military cooperation. Western Also nations, for instance, the United States offers little military hardware to countries in Africa, with a few notable exceptions, via either grants or sales. For instance, in 2011, the United States offered a mere US$18 million on Foreign Military Financing (FMF) grant to sub-Saharan Africa and around

US$91 million in "Section 1206" counterterrorism assistance. However, the United States does embark on substantial military involvement in the continent of Africa – whether with training or material – it usually does so to promote the United States priorities, like counterterrorism, African peacekeeping proficiency, or give backing to worldwide recognized Somali regime. In contrast, China considers military sales as just one element of its trade with African nations, and it has proactively pursued African market.

African governments believe that China represents a huge market for African raw materials, so, African governments seeking export markets are hopeful that they can expand bilateral trade with China, though for the most part trade patterns have mirrored those of European colonial era, in which countries from Africa export raw material and import manufactured goods. Furthermore, China's demand for its raw materials and the inflow of foreign direct investment has offered a source of additional income. Most recently, as wages in China have risen, Chinese manufacturers have outsourced production to Africa. This has provided both employment for Africans, and the opportunity to master new skills. Africa produces few things that China needs that can be manufactured and exported to Asia in a cost-effective manner. However, one can find the bright spot in East African countries, particularly Ethiopia, Kenya, Uganda, and Tanzania. The absence of large raw material deposit in these nations (compared to others in the region) forced the local economies to grow and generate revenue through other means. These countries also display relatively high growth rates and have large low-wage working population. The combination of these two factors makes these nations attractive and promising locations for developing a basic manufacturing industry. Furthermore, Africa's strategy of going forward should be to diversify – that is the Challenge for African nations. Diversification should follow the path of industrialization. In order for Africa to industrialize, the continent has to open up to opportunities and investments from leading firms around the world applying highly robotized and digitized production method. Africa economic future will be determined by how African nations relate with the Chinese, design and implement effective industrial policies needed to promote industrialization and economic transformation.

Dependency Theory in Africa-China Engagement

Can Dependency theory define the nature of China-Africa relations? This question will be address in the remaining part of the paper using Nigeria as a case study. Also, the paper will observe Beijing's dependence on soft power to win over African nations, and asks whether dependency theory relates to Beijing's need to develop an international economic government. Previous literature on current China’s economic and political dealings with African nations (either on the individual of aggregate levels) has yet to sufficiently describe, let alone analyze, the inscrutable nature of the relations between Africa and China. Most of the literature centers on two distinct opinions: the anti-China in Africa delegation and the view that give backings only after critical consideration. (Hevi, 1966). It is important to note that most of the Hevi's disdain for the Chinese 1960 African policy was aimed specifically at China's radical push for an African revolution (Ya-chun, 1981; US Congressman Lawrence P. McDonald in Pearson, 1977).

**Dependency Theory** holds that economic processes are the basic structure force of history, and that over the last several centuries it has been northern capitalism (first in its mercantile, then in its free trade, later in its financial and today in its multinational guises) that has been history's locomotive (Smith, 1981: pp.756).

Dependency Theory in Africa-China Engagement

Looking at China-Africa relations, in several ways, the examination of the Chinese influence in Africa reads like the literature on underdevelopment. The logic is laden with neo-imperialist concepts borrowed from dependency theory: the idea of a passive Africa is inconsequential except for its usefulness as an economic pawn for China's sole advantage. These assertions, however, are not evidently attributed to dependency theory. Speaking of dependency, dependency theory emerges as a way to comprehend the phenomenon of wealthy nations getting wealthier and poor nations getting poorer at a time when the liberal economic theory claimed that augmented trade would lead to the economic advantage for all (Pareto optimal). At this point, dependency theory was viewed as a possible way of clarifying the persistent poverty of poorer nations. The traditional neoclassical approach said virtually nothing on this question except to declare that poorer nations were late in coming to solid economic practices and that as soon as they learned the methods of modern economics, then the poverty would begin to subside. This viewpoint has since been extended into the arena of international trade and development by dependency theorist. One seminal assumption of dependency theory is that the interdependent relations between two or more economies take the form of dependence when some nations (richer countries) can expand and be self-sustaining while other (dependent) nations can do so only as a reflection of this expansion, which may affect the immediate development either positively or negatively.

**Other study asserts that dependency theory inaccurately overemphasizes the impact of economic processes** and does not account for other influences in assessing development. The further survey claims that “One cannot escape the conclusion that the dependency movement may have been intellectually counterproductive” [15].

**Citation:** Emmanual John Hevi was the first to assert caution and warning of a negative result of China influence in African. He studied medicine in China for 18 months but to accept offers only after critical consideration, (Hevi, 1966). It is important to note that most of the Hevi's disdain for the Chinese 1960 African policy was aimed specifically at China’s radical push for an African revolution (Ya-chun, 1981; US Congressman Lawrence P. McDonald in Pearson, 1977).

**10.4172/2375-4389.1000274**

**Volume 5 • Issue 4 • 1000274J Glob Econ, an open access journal**

**ISSN: 2375-4389**

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contributions of dependency theory are its normative stance on the global economic impact on politics and the constant call to action. These influences are evident in the literature on China’s engagement with the continent of Africa. To a certain extent, it is easy to see how the anticipated influence of the Chinese engagement in Africa can be framed using the language and logic of dependency theory.

Skepticism, however, does exist in terms of China’s engagement in Africa. Some scholars argue that China is simply relaying the European colonial torch of purchasing raw materials from Africa and selling value-added products back, creating an unfavorable trade balance for Africa. For example, in a declaration quoted in Vivienne [17], Moelletsi Goduka Mbeki, the deputy chairman of the South African Institute of International Affairs talked about trade relations between South Africa and China; he asserts that “South Africans export primary commodities to China and the Chinese create manufactured “value-added” products and sell back to South Africans with a foreseeable outcome – an unfavorable trade balance against South Africa.” In another incident, Cox and Jacobson [18] declare that in a state of dependence, “The economic expansion is skewed so as to induce the perpetuate balance of payments deficit, to distribute income and wealth in a highly unequal manner, and to upsurge marginality in the society. The association of reliant is produced and maintained by a coalition of people in both the dominant (rich) and subordinate (poor) nations who take advantage of the opportunity and who act to ensure that their nations pursue suitable policies. The general system, however, offers a greater advantage to the dominant nations than for those in subordinate positions.”

In respect to Moelletsi assertion and backed up by Cox and Jacobson [18], if the dependency exists in China-Africa relationship as claimed, then we can anticipate the following: firstly, augmented economic engagement with the Chinese should bring about little, no or reverse economic expansion for nations in Africa. Cox and Jacobson [18] debated that in a system that is based on reliance, dominant nations profit most for the reason that they are in charge of the global economic system [19]. It is vital to notice that Jacobson and Cox fail to explain the nature of this benefit, whether it is political or economic. Secondly, China is the leading and debatably the only motivator in China-Africa relations. Dependency theory is inherently a system theory. The main critique leveled against dependentistas is their incapability to account for the action of individual actors in their motivation to clarify the relationship between China and Africa. The action and drives of African nations are not an important influencing factor in the relationship between China-Africa. However, existing proof cannot assess whether these anticipations are borne out. To start with, characterizing China-Africa cooperation as dependent appears not to be accurate. An important element of the explanatory power of dependency theory is built on the foundation of a shared history [20].

Speaking of history, it is important to note that historical context is an essential perspective to determine if the dependent relationship imposes upon peripheral, resource-rich nations. Dos Santos continues in his argument by asserting that the conditions of dependency are not instantly imposed upon peripheral nations but are developed over a long period of time. Though they have persisted through a very long period of time, China-Africa relationships have largely been made up of diplomatic interactions devoid of the economic and political characteristics that dependency theorist claim to influence the emergence of dependent conditions. China-Africa cooperation recently started to cultivate important economic and political traits that may over time culminate in conditions similar to dependency. The past 17 years have marked this novel cooperation with FOCAC conferences beginning in 2000, which have catalyzed snowballing partnerships. Africa and China’s shared history is actually only at the present being documented. In light of this more visible cooperation, it is difficult to contend that the relationship between China and Africa at the moment display Africa’s dependency, despite the fact the possibility exists that a dependent relation may develop over time.

According to Smith [19], the author asserts that the characteristics of dependency theory are typically described as vulnerability to the death of autonomy, external forces, and trade imbalance. The trade relations between Africa and China is at the aggregate level fairly balanced; at the individual level, some of the dyadic partnerships are not balanced in favor of China and others are imbalanced in favor of African nations, for example, Sudan and Angola. The Chinese policy in the continent of Africa has been tag “economic diplomacy” and mentions that the Chinese policy on the continent of Africa adopts a decidedly business-like approach, without political interference [13], which permits for the pursuit of arrangements that, if properly implemented have the potential for positive outcomes [20-22]. African nations do have autonomy in their engagement with the Chinese; these African states are active participants that choose this relationship. While the literature has not completely addressed the drivers of African leaders and their role in increasing their engagement with the Chinese, there is the need to know that African consent and agency is essential for this cooperation [4,5].

Furthermore, it can be debated that African involvement with the Chinese has lessened African vulnerability to external actors; also, the engagement has provided an avenue for the Chinese to share their technology with African nations in form of knowledge transfer and African nations are increasingly recognizing their efforts in the development of infrastructure. Above all, China’s option has afforded African leaders novel leverage in their association with other nations as well as external players. These activities could bring about economic expansion, upsurge the standard of living, as well as alleviate poverty, which run counter to expected indicators of underdevelopment or dependency. It does not seem that Africa-China cooperation can be suitably characterized by dependency theory. While Africa history with the West fit quite well with the story and clarification presented by dependency theory, this logic can no longer be automatically superimposed on the relationship between China and Africa. China’s foray into Africa has introduced and shared novel technology and capital that has diluted and diminished the West control of those resources. Evans [23] asserts that this control of capital and technology plays a significant role in the development of dependency relations. If the Chinese are not developing a dependent relationship with非洲 leaders, then it is logical to infer that the Chinese are developing a novel global economic cooperation to address the alterations in international political economy.

**State-centric realism**

Realism is an approach that emphasizes on the individual’s quest for self-interest. In spite of the growing significance of the market, historical experience indicates that the purpose of economic activities is ultimately determined not only by markets and the prescriptions of technical economics, but also (either explicitly and implicitly) by the norms, values and interests of the social and political systems in which economic activities are embedded. This quote is seen within the opening pages of Gilpin’s [24] book *Global Political Economy*:

Understanding the International Economic Order which was published in 2001. Furthermore, the author asserts that following the end of Cold War there has been a shift from Marxist economic doctrines such as dependency theory and a snowballing adoption of liberalism. Speaking of liberalism, Neo-liberalism debates that economies grow best when the market is free of limiting state interventionist policies. Nonetheless, the reduction of the state in the market, and the promotion of free market economies is the manner proposed by the World Bank and the International Monetary Fund, have failed to achieve sustainable economic growth for African nations. Gilpin presents a dissimilar viewpoint for investigating international political economy, state-centric realism.

State-centric realism recognizes the state as the principal player in global affairs driven by national interests, and not a system of states influenced by the distribution of power as Waltz's neo-realism debated [24,25]. Gilpin proposes that “the policies and interests of a nation are determined by the governing political leaders, the pressures of powerful groups within a national society, and the nature of the national system of political economy.” To some extent, Gilpin's [24] idea of state-centric realism is in line with the constructivist viewpoint and the realist viewpoint, acknowledging that social constructs, idea, and human volition – like nationalism – permit for an agency and play a vital role in the nation behavior and global affairs. This investigative viewpoint of state-centric realism accounts for African agency in China's engagement in Africa; it gives backing to the debates made by leading African experts that the drives of African nations players matters.

This paper declares that, just as dependency theory inadequately describes underdevelopment in Africa and the role of the West therein, it is even more unsuitable for explaining current China-Africa relations. Arguably, the growing China-Africa relations can be viewed as African states' self-interests, exercised in the pursuit of political and economic goals as much as China's interest, a realistic national interest. This paper is most concerned with African agency and declares that Africans are increasingly engaging with China, not because of a systems theory of dependency that paints Africans as "powerless" pawns. For instance, Ajakaiye and Raphely [26] assert that “A reincarnation of dependency theory, in which Africa was viewed as a quivering victim of external forces, must be abandoned, both in order to comprehend better what is happening and why it is happening, and in assisting Africa to make the best of the chances opened up by the speedy emergence of the Asian motivator economics and the consequent reform of the international order in the 21st century”. The debate these authors put forward is that the phenomena at hand are more closely similar to Gilpin's state-centric realism. In other words, African nations are trading with China in a way that is similar to an inter-state partnership [27].

Africans are significant players in their engagement with China but they stop short of discussing the precise role of African nations and motivators behind their increasing engagement. This paper argues that, contrary to the dependency theory that assumes African nations are passive actors, African nations choose to engage with China and specifically to trade for the same reasons that all nations trade with each other: because as liberal economic theory and a state-centric realist viewpoint support, global trade is in both parties' national interest. According to Krassner [28], the author debates that the four basic national interests are social stability, economic growth, aggregate national income, and political power. The relationship between these four interest and openness hinges on the potential economic power of any state (relative size and level of economic development of the state) and the different distribution of potential power (multipolar, hegemonic) determine different global trading structures. Potential economic power is operationalized in terms of the relative size and level of economic development of the state. Furthermore, for the aggregate national income, the greater the degree of openness in the global trading system, the greater the level of aggregate national income. Trade provides small states relatively more welfare advantage than it offers large ones.

On the part of social stability, greater openness exposes the domestic economy to the exigencies of the world market; social instability is in that way augmented, since there is friction in moving factors, especially labor, from one sector to another (domestic production patterns must adjust to changes in global prices). Social stability is ceteris paribus, inversely related to openness, but larger size and greater economic development mitigate the deleterious consequences of exposure. Regarding the political power aspect, the higher the relative cost of closure (direct income losses and adjustment costs of reallocating resources), the weaker the political position of the state. These costs are smaller for large states and for relatively more developed states. Therefore, a state that is relatively large and more developed will find its political power enhanced by an open system because it's opportunity cost of closure is less. For the economic growth, it involved a complex relationship with global economic structure. Openness further the economic growth of small states and of large ones so long as they maintain their technological edge. Relationship impossible to specify definitively for medium sized states [28].

The soaring China and Africa engagement can be debated as a means to achieve all four of these aims. This implies that the continent of Africa chose to engage with the Chinese for the reason that it is a path to accumulating aggregate national income, snowballing economic growth, leveraging political power, and improving social stability in the international stage. Trade has perhaps been the most noticeable indication of African nations snowballing engagement with the Chinese. The presence of China offers a new market for African exports, even more, significant for the reason that China buys African goods at market prices, has the potential to add to aggregate national income. Thus, an upsurge in national income is positive economic expansion. This is as a result of the fact that China is a new trade partner for the continent, in addition to and not in lieu of previous trading partner. So, trade with the Chinese offers marginal income, an extra revenue source for African states. Also, China's foreign direct investments in African states have offered significant capital that has the potential to add to sustainable economic growth. Arguably, the capability of China to fill the needs of African society is a significant driving force for the continent snowballing engagement with the Chinese.

With increasing globalization, the nature of the state interaction is shifting, influenced by advances in communications and information technology that has the power to change the face of international relations. According to Gilpin [29], he states that there are three kinds of change: system change, systemic change, and interaction change. This paper argues that Africans are engaging with China to effect change, especially interaction change. African engagement with China has been noted as markedly dissimilar from typical African foreign relations, especially with Western states; it is a relationship with a distinctly business-like tone, laden with negotiation intended for the realization of mutual benefits and mutual goals. The Chinese government has implemented incentives that encourage the Chinese businesses to engage in Africa1011.
through the machinations of international organizations, China gives backing and South-South solidarity can also draw attention to matters that concern African states. The Forum on China-Africa Cooperation (FOCAC) is an international organization with a framework that has allowed consideration of African concerns. Also, with China's policy of non-interference and adherence to the recognition and respect for state sovereignty, China permits African nations to play a role in their own policy procedure. This was demonstrated in the address of the then-President of Egypt Hosni Mubarak made at the fourth FOCAC Ministerial Conference, November 8, 2009, that presented African ideals and principles in increasing China-Africa engagement (FOCAC, 2009d).

Arguably, the nature of China's engagement with African nations via strategic cooperation and negotiated agreements produce an environment that compels African nations to become determinants and decision-makers in their own procedure. By allowing African governments play an active role in their domestic affairs, development procedure, and policymaking. This approach will provide a greater possibility for African nations to actualize sustainable transformation and expansion, particularly when external policies of global financial institutions like the World Bank and International Monetary Fund have blatantly failed to create the 'Africa we want' as proposed by the Africa Agenda 2063. This novel role demonstrates an important move in African international relations and one that is in line with Gilpin's concept of interaction change [29]. Africa's engagement with the Chinese is a showcase of a different approach to interaction, one with augmented African participation that will lead to an upsurge in political power, with the capability to transform the way African nations interact with other external actors. There is an adequate evidence to believe that state-centric realist African nations are choosing to engage with the Chinese for the reason that it permits African states to actualize their interest in improved social stability, expansion of political power snowballing aggregate national income, and better economic expansion, domestically and on the international level.

The central question remains: what benefits await Nigerian for engaging with China? To test the argument that Nigeria chose to engage with the Chinese because it is in their national interest as well as answer the central question, a case study of Nigeria was conducted. The paper argues that Nigerians tend to engage with the Chinese because they believe Chinese investment in infrastructure and China's development assistance will lead to improvements in the standard of living and a help alleviate poverty; Nigerian belief, particularly by governmental actors, argues that Nigerians tend to engage with the Chinese because it is in their national interest as well as answer the central question, a case study of Nigeria was conducted. The paper argues that Nigerians tend to engage with the Chinese because they believe Chinese investment in infrastructure and China's development assistance will lead to improvements in the standard of living and a help alleviate poverty; Nigerian belief, particularly by governmental actors, holds that the Chinese for the reason that it permits African states to actualize their interest in improved social stability, expansion of political power snowballing aggregate national income, and better economic expansion, domestically and on the international level.

Case Study: Nigeria

**Intertwined interests of Nigeria and China**

Nigeria is a regional economic giant that plays a central role in increasing China's engagement in Africa. And as such, the drivers of Nigerian actors in China's engagement matters, not only because this drive motivates the process, but because they determine the nature of the relationship. What is the driving force behind Nigeria's sudden economic interest in China? Is it part of a well-calculated approach to unlocking the country's true economic potential or is it merely a meek response to an unfolding development? Though posed by several academicians, these questions have yet to be adequately addressed by empirical research. Nigeria is a resource-endowed nation with a young and growing diverse population. Nigeria is heavily populated and the country's population is growing rapidly; Nigeria's population, currently the seventh largest globally. The population is estimated to be 203 million in 2025 and 279 million in 2050, compared to other African nations, making over 20 percent of the total African population. Consequently, the population of Nigeria is projected to surpass that of the United States shortly before 2050, at which point it would become the third largest nation globally (United Nations, 2017). Nigeria favorable demographics advantage also makes Nigeria a consumer country. It is a consumer country, in which domestic industry, with suitable management, might successfully compete with China's import. Recent news articles cite Nigeria as having the highest Chinese outbound visitors to Africa in 2016 with a total number of 200,000[10]. This lends credence to the assumption that a comparatively higher level of engagement and trade can be expected between Nigeria and China as compared to other African states. With Nigeria's significant political influence on the continent, the argument can also be made that Nigeria's engagement with China might have a ripple effect on other African nation subject to China's exploitation. Nigeria has a potential for growth and is engaging with China for the reason that China is a country whose political, diplomatic, and economic objectives are similar with Nigeria to offer investment for development. China, on the other hand, is a dynamic emerging economy that has achieved economic independence and growth. The main aim of this paper is to determine the nature of China-Nigeria relations and to ascertain Nigerian drives in this engagement.

Oil influences Nigeria's characterization as a resource-rich nation, and it would be easy to assume that China is interested in Nigeria because of its oil. While that assumption maybe correct, it does not tell the complete narrative of China's interest. Nigeria does offer petroleum for China and factors significantly into China's resource grab in Africa. However, out of the approximately 1.4 mbpd of crude oil or 22 percent of its total oil imports from Africa in 2014, China secured less than 2 percent from Nigeria [30]. In 2016, China and Nigeria signed a Memorandum of Understanding (MoU) with several Chinese companies for more than $80 billion dollars' new investments, spanning five years, in the oil and gas industry covering pipelines, refineries, gas and power, facility refurbishments and upstream funding. However, while Nigeria is one of the leading producers of crude oil in Africa, Nigeria is not a leading supplier of African oil to China. Nigeria relationship with China differs from most other African nations, as engagement with Nigeria was marked early on by exchange of information and technology, where Chinese know-how contributed to the development of local industry [31].

Nigeria is strategically located and in several ways a political anomaly in Africa. Also, the country is a regional and continental self-determined powerhouse that has, since independence, adopted and maintained a policy of political neutrality in foreign relations. Because of its influence and strong belief in itself as a formidable (real or latent) global actor that has inspired Nigeria's active involvement in the continent of Africa via its foreign policy on significant global

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matters [32]. As a result of the country's economic and political credentials, Nigeria's significance in Africa is arguably necessary for any actors looking to make a strategic power play, economic and otherwise, on the continent. Nigeria's influence in West Africa, active role in peacekeeping efforts, as well as in development and governance make Nigeria a key player in African politics. China's efforts to collaborate politically with African states on the international level can no doubt be bolstered by Nigeria's support. Where one in every five black Africans is a Nigerian, China cannot afford to overlook Nigeria if they aim to be actors in Africa.

The reason for choosing Nigeria as a case study is based on both political and economic contexts. The influx of China's product into Africa, especially cheap textile, has affected domestic industries negatively in Nigeria, leading to the loss of several thousand jobs and diminishing the added value connected with the sale of finished products [5]. Nigerian policies concerning the Chinese have displayed the influence of domestic business, which has been active in provoking the government to adopt or at least promote the protection of domestic industry. They have displayed the impact of public opinion as well. A case in point: consumers rallied the government to reopen Chinatown in Lagos for access to inexpensive Chinese products after it was closed down due to quality concerns raised by domestic business concerning counterfeit and subpar goods [5]. The Nigerian government's responsiveness to concerns with China's engagement, though not perfect, has yet to be sufficiently addressed by literature on the increasing China's engagement in Africa.

Trade and investment in Nigeria-China Relations

Narrowing development gaps has been a critical issue for both developing and developed nations under structural changes caused by the surge of globalization. In the case of Nigeria "narrowing development gap" has been regarded as one of the most significant challenges. China believes that supporting Nigeria in coping with this challenge is important for the future of Nigeria. In with this, China economic cooperation with an effective trade contributes towards addressing this challenge. Over the last decade, China has become a major economic partner of Nigeria. Nigeria is China number one engineering market, number two export market, number three trading partner and major investment destination in Africa [1]. China's exploitation of the Nigerian market is of questionable benefit to Nigeria. China has been embraced with large arms by Nigeria and has continued to expand its trade relations in the country. Trade between China and Nigeria has increased from US$2 billion in 2005 to US$7.76 billion in 2010, making Nigeria the fourth-largest trading partner [33]. Trade further increased from US$13 billion in 2013 to approximately US$15.5 billion in 2015; Nigeria became China's third largest trading partner in Africa in 2014 [30]. Furthermore, China and Nigeria bilateral trade from January to July 2016, stood at $6.46 billion. This represented 7.6 percent of the total trade volume between China and Africa and 36.4 percent of total trade volume between China and ECOWAS [34].

On the part of the investment, China's total investment in Nigeria climbed to US$ 15 billion. In January 2014, Nigeria approved US$10 billion Chinese investment in oil exploration in the Bida Basin and China is also going to construct a refinery in Baro in Niger State. According to Lin Songrian, Director-General of African Affairs Department, China's Ministry of Foreign Affairs asserted that by the end of 2015, the total volume of project contracts by Chinese in Nigeria climbed to US$77.3 billion. Chinese investment can be seen across the nation in infrastructure development, communication technology, road development, and construction. A good example is the recent Nigeria Investment Promotion Commission (NIPC). Over cumulative $3 billion was received from China for investment in economic growth in areas like agriculture, rail transportation, housing infrastructure, power-sector development, and solid minerals. A Nigeria-China Memorandum of Understanding (MoU) was signed for investment for the Mambilla hydro-electric project, railways refineries, and agri-industrialization. Also, in November 2014 China signed a contract for a $12 billion Nigeria railway project. Recently, on September 15, 2016, Nigeria and China signed a $23 billion deal for three refineries in Bayelsa, Kogi, and Lagos states; Chinese investment in Nigeria has reached more than $80 billion [1].

Nigeria views its association with the Chinese as one that also profits from its own export needs and its international negotiating prowess. The nation is presently affectionately referred to as "Africa's China" among global investors. The partnership will allow Nigeria to become a major actor in both present Asia's and Africa's markets. On the other hand, presently, China is building a $5 billion free trade zone in Nigeria commercial capital, Lagos. "A total of 16,500 hectares of land bordered by the Atlantic Ocean, which include a deep-water sea port and a new international airport in close proximity in the Lekki Free Trade Zone possesses some economic significance with the aim of cutting down the country's reliance on imports. The Lekki port that is anticipated to be completed in 2018 may function as a commerce hub extending the One Belt One Road (OBOR) further to the West on the African continent. The literature on China and Nigeria has yet to acknowledge what might the interests and drives of Nigerians in relation to China. The remaining part of the paper attempts to fill this gap in the literature by presenting a case study of Nigerian drives for snowballing engagement with China. The remaining part first clarifies the methodology employed to gather and analyze the primary statistics for this research, and presents the main themes in response to the question: why is Nigerian engaging with the Chinese?

Nigeria-China Trade Analysis

Although trade between Nigeria and China is flourishing, a look at export and import values displays that trade balance heavily favors China. This paper hinges on the beginning of the Forum on China-Africa Cooperation (FOCAC) conferences as the indicator of the Chinese cooperation with Nigeria as shown in the Table 1. Trend prior to 2000 the year of the first FOCAC conference display Nigerian trade activity China without China's interaction and trade activity after indicating the perceived influence of China interaction through FOCAC. First exploring limited China's interaction (1995-1999), and then snowballing China's interaction via FOCAC (2000-2009). Looking at Figure 4 and Table 1, the apparent imbalance, for all intents and purpose is similar to the textbook dependency theory in action. Nonetheless, based on calculation, employing data from World Trade Atlas, China's exports to Nigeria from 2000 to 2009 soar 871.08 percent, which signify an approximate average annual growth rate of 40 percent, with the exception of 2009 when the value of China's export dropped below that of 2008 [35]. Alternatively, Nigerian exports to China soared by 2066.64 percent during the same period, at an average annual growth rate of 62.71 percent. Noticeably, the growth rate data yielded a poor outcome indicating that Nigerian exports to China fluctuated extremely during this period, with extreme rates ranging from -47.3 percent to +545.35 percent. Although this may give the appearance of dependent relationship uncontrolled by Nigeria, the author argues

instead that this volatility indicates the novelty of the trade relationship and exists for the reason that China was not yet a key buyer of Nigerian exports.

Figure 4 shows that China’s export to Nigeria soared at a rapid rate than Nigeria exports to China. According to a comment from a Nigerian government official in terms of China-Nigeria economic cooperation, the government official asserts that “Nigeria engagement with the Chinese…has not been booming as expected. Nigeria has not exploited; in its place, it is an unfavorable trade balance against Nigeria. The only thing is, the Chinese purchase petroleum from Nigeria.”

Even with the snowballing purchase of petroleum from the Chinese, as Figure 5 displays, there remains to some extent a significant imbalance tilted towards the Chinese. Certainly, the trade statistics do not present a complete picture of the political and economic cooperation that exist between Nigeria and the Chinese and do an even poorer job by showing the impact of China’s engagement with Nigeria.

Figure 5 illustrates that, after the launch of the recent iteration of Sino-African relations as defined by the FOCAC Summit of 2000, Nigerian trade with China grew in 2000. This implies that the 17-year practice displays that FOCAC is not a talk shop, but an effective platform for China and African countries to enhance mutual benefit and conduct pragmatic cooperation. However, the trade volume dropped in 2002 and 2003 as a result of an outbreak of what is believed to be severe acute respiratory syndrome (SARS), begun in the Guangdong province of China on November 16, 2002, which stop a lot of Nigerian businessmen from traveling to China, this affected the trade relations between both parties. China-Nigeria economic cooperation came in full bloom after SARS incident. In 2004, Nigeria exports to China grew, which is likely due to the increase in the price of commodities, partly driven up by increased Chinese demand. China’s willingness to purchase Nigerian raw materials at market prices has provided a fresh market for exports and given Nigeria an extra revenue stream. This extra income can then be invested as Nigerian see fit, for instance, into the economic stimulus to bolster the growth of local economies or to develop infrastructure. Additionally, Figure 6 does not sufficiently illustrate the extent of the Chinese significance and magnitude in Nigeria’s general trade.

Investigating this statistics from another standpoint by incorporating Nigeria’s general trade balance over similar period, it seems that, generally, augmented imbalance of trade with the Chinese may not have had an adverse effect on Nigeria, at least in the short term, for the reason that the Chinese trade with Nigeria is substantially overshadowed by Nigeria’s general trade balance much less Nigeria’s total trade. Notably, Nigeria trade with the Chinese still only accounts for a small portion of Nigeria’s total trade activity. Aggregate Nigerian trade balance has continued to display positive growth with a few exceptions, the most notable in 2009 when the global recession affected the performance of several nations. So, in spite of an unbalanced trade relationship, Chinese trade with Nigeria is not significant enough to create a situation of economic dependency.

Figure 6 illustrates that trade between Nigeria and China pales in comparison to Nigeria overall’s trade balance which shows that Nigeria trade with the Chinese may not yet have a significant influence on Nigerian economic expansion. Also, the recent positive economic expansion in Nigeria suggest that the country is on the rise again and therefore a significant part of the ‘Africa Rising’ discourse. Nigeria has maintained a remarkable growth over the last decade, recording an average growth rate of 6.8 percent in a large economic base and the potential for further growth is reasonably high [36]. The recent recalibration of Nigeria GDP base in April 2014 by the National Bureau of Statistics to better mirror the size and structure of the economy, saw it surge past South Africa to become Africa’s largest economy by some margin – its GDP hits $569 billion. This may not directly have to do with Nigeria’s engagement with the Chinese. As asserted by the Washington-based Emerging Capital Partners (ECP), Nigeria has been noted as having growth prospects. The country has continued to witness significant growth above the continental average in the last one and a half decades. Table 2 displays that Nigeria’s GDP grew by 3.1 percent in the 1990s to over an average of 5 percent starting in 2000, largely driven by the value added from the service sector. The key service sub-sectors comprise of real estate, wholesales, communication, information, and retail [37].

The proof in Table 2 proposed that the process of structural transformation has started in Nigeria, but Nigeria is also making the atypical transformation from agriculture to services and this is not unique to Nigeria. Overall, these efforts have been successful, as evidenced by increasing Chinese enterprises and population in Nigeria. Chinese firms are making big money in Nigeria, but Nigerians are also pursuing the trade with the Chinese. It is vital to know that true economic impact is made in the long-term. For the reason that China’s presence in Africa and in Nigeria has augmented nowadays, the argument can be made that it may be too soon to predict what the real, far-reaching economic impact of Nigeria-China trade will be. China’s exports to Nigeria are not just mass quantities of cheap little plastic goods and textile but also expensive equipment used to construct factories, roads, and railways. In other words, a significant amount of China’s exports to Nigeria include the necessary components for successful infrastructure development in Nigeria. Such equipment is assisting Nigeria to build power generations facilities such as satellites, towers, refineries, dams, and telecommunications. However, in spite of investment in infrastructure development, there is still some argument regarding the influx of inexpensive Chinese goods leading to the deindustrialization in Nigeria indigenous enterprises particularly in the textile manufacturing [38].

Despite the fact that the opinion from Akinrade and Olukoya [38] is valid, augmented efforts by the Nigerian government to improve monitoring of imports into Nigeria, as well as investing more heavily in domestic economic development may offset the expected negative influence of trade with China. Although Nigeria is currently going through a substantial trade deficit, there is no proof that the China-Nigeria dynamic will remain this way, especially given China’s movements to upsurge petroleum imports from Nigeria. Augmented

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**Table 1:** China’s Trade with Nigeria, Imports and Exports and Percentage Change, 2000-2009.

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports to Nigeria (Millions of US$)</th>
<th>% Change</th>
<th>Imports From Nigeria (Millions of US$)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>563.88</td>
<td>42.40%</td>
<td>292.93</td>
<td>60.52%</td>
</tr>
<tr>
<td>2001</td>
<td>917.15</td>
<td>62.65%</td>
<td>227.44</td>
<td>-23.36%</td>
</tr>
<tr>
<td>2002</td>
<td>1,047.09</td>
<td>14.17%</td>
<td>121.31</td>
<td>-46.66%</td>
</tr>
<tr>
<td>2003</td>
<td>1,787.49</td>
<td>70.71%</td>
<td>71.68</td>
<td>-40.91%</td>
</tr>
<tr>
<td>2004</td>
<td>1,719.27</td>
<td>-3.82%</td>
<td>462.58</td>
<td>545.35%</td>
</tr>
<tr>
<td>2005</td>
<td>2,305.28</td>
<td>34.08%</td>
<td>527.06</td>
<td>13.94%</td>
</tr>
<tr>
<td>2006</td>
<td>2,855.67</td>
<td>23.88%</td>
<td>277.75</td>
<td>-47.30%</td>
</tr>
<tr>
<td>2007</td>
<td>3,800.19</td>
<td>33.08%</td>
<td>537.49</td>
<td>93.51%</td>
</tr>
<tr>
<td>2008</td>
<td>6,758.13</td>
<td>77.84%</td>
<td>509.92</td>
<td>-5.13%</td>
</tr>
<tr>
<td>2009</td>
<td>5,475.71</td>
<td>-18.98%</td>
<td>896.23</td>
<td>76.15%</td>
</tr>
</tbody>
</table>

Source: Kalu (2012)
petroleum importation from Nigeria to China, coupled with augmented sourcing of other raw materials by Chinese corporations, including but not limited to gold, natural gas, solid minerals, and other metals. On the other hand, while most of the Nigerian imports have been spread across several categories\textsuperscript{19}, the top three products are generators, telecommunications equipment, and motorcycles. Actually, about 80 percent of the top 20 merchandise categories can be construed as capacity-building imports, not comprised entirely of finished products; about half of these categories were recognized as parts\textsuperscript{20}. It can be argued that China's recent engagement in Nigeria is timely, because with continued investment and trade between China and Nigeria, under suitable management, can and should promote industrialization in Nigeria. Although this may not be the picture of industrialization as inscribed by Western nations, however, China presents an opportunity for forwarding social headway and economic expansion in Nigeria.

Possible Benefits Driving Nigeria Engagement with China

Following the launch of FOCAC, which is the most visible manifestation of growing China-Africa relations, African nations seem to have profited from the engagement with China. The literature centers extensively on the benefits to China but very little research empirically investigates the benefits to African nations. Furthermore, the literature has yet to acknowledge what might be the interests and drives of African nations with regard to China. This part of the paper attempts to fill this gap by displaying a case study of Nigerian drives for snowballing its engagement with China. At the onset, it might seem that Nigeria's engagement with China is indicative of dependent relationship with a dominant nation. However, limiting Nigeria's engagement with China to an 'unequal relationship' is to belittle and

\textsuperscript{19}Kalu NE(2012) Understanding Africa’s China Policy: A Test of Dependency Theory and a Study of African Motivations in Increasing Engagement with China. Master’s Thesis at the University of Nebraska – Lincoln Digital Common @University of Nebraska – Lincoln.

\textsuperscript{20}These range from automobile parts, non-identified engine parts, construction equipment etc.
dismiss the greater intentions that motivate this partnership. The reason for selecting Nigeria as a case study is based on both economic and political contexts. The remaining part of the paper discusses the two main drivers and intentions behind Nigeria increasing engagement with the Chinese. The question remains: what benefits await Nigerians for engaging with China? Nigerians aim to maximize and exploit the economic opportunities afforded by engaging with the Chinese, as well as learn from China’s development model regarding its technological advancement that seems to be working for the world.

**Maximize Economic Advantage**

**Taking stock of the increasing Nigeria federal government drives**

If we take a look at the past 46 years (1971-2017) of China-Nigeria relations, it can be submitted that the future of the relationship is quite bright. The ties are likely to be warmer. Speaking of warmer ties, Nigerian increasingly engage with the Chinese because of the economic benefit it brings to them, specifically profitability and affordability. The increasing trade with China has become arguably the most visible indicator of growing ties between China and Nigeria. Although this section does not directly discuss Nigerian aims, it identifies factors that make the Chinese attractive to Nigerians, which this paper would argue are just as vital as Nigerian aims, as they pertain to the Nigerian government, entrepreneurs, and consumers. It falls to Nigeria’s federal government to offer and pursue opportunities that will promote growth and development. Engagement with China – while originally a government- motivated phenomenon⁴, has since transformed into a business-motivated and consumer relationship. However, government’s role remains vital to China-Nigeria relations; in several ways, the government is the quintessential facilitator of the dyadic relationship between entities from both sides. As such, it is vital to identify the drivers that compel Nigerian foreign relations with China. When asked why Nigeria is seeking engagement with the Chinese, the first answer from most government officials was that Nigeria must engage with China; everybody must engage with China because of its soaring economic and political significance on the global stage.

China has often filled the void in several African nations especially in Nigeria by offering affordable infrastructure but also issuing soft long-term loans to bankroll projects. So as to make significant headway it is vital that Nigerian government pay special attention to revitalizing infrastructure. As a result, Nigeria government is looking to China to play a role in the development of Nigeria infrastructure⁵. Corporate Nigeria 2010/2011⁶ asserts that “Nigeria is dealing with the problem of transforming transport infrastructure that does not meet the need of a modern economy. For the next five years, Nigeria requires US$166 billion to offer energy and infrastructure for its increasing population. Demand for energy and infrastructure in Nigeria is ever soaring as the populace increases. Consequently, so has the demand for viable funding solutions to support investment in such infrastructure projects.

Compared with many of its African peers, Nigeria has relatively advanced infrastructure networks that cover extensive areas of the nation's territory and, thanks to its strong economy, it is better placed than many of its neighbors to increase the share of fiscal resources going to infrastructure. Yet, according to the African Development Bank (AfDB), the nation’s core stock of infrastructure is estimated at only 20-25 percent of GDP, compared with 70 percent for other middle-income countries of its size, leaving a gaping infrastructure deficit of $300 billion. Actually, in all, infrastructure spending (and in turn demand for funding) in Nigeria is anticipated to soar from US$23 billion in 2013 to US$77 billion in 2025 [39]. Where will this financing come from? Nigeria has recently attracted Chinese financial and technical support for its ambitious infrastructure plans. One of the mechanisms to address the infrastructure funding gap has been a US$6 billion loan commitment from China to finance infrastructure projects in Nigeria.

There are several infrastructure development projects between Nigeria and China, which include: North South Power Company Limited and Sinohydro Corporation Limited (“SCL”) signing an agreement valued at US$478 million dollars for construction of a 300MW solar power in Niger State; Granite and Marble Nigeria Limited and Shanghai Shibang signing an agreement valued at US$55 million for the construction and equipping of a granite mining plant; Infrastructure Bank of Nigeria and SCL signing an agreement for the construction of a greenfield expressway for Abuja- Ibadan-Lagos valued at US$1 billion; the signing of the US$2.5 billion agreement for the development of the Lagos Metro Rail Transit Red Line project in Lagos State; and the signing of a US$1 billion facility for the establishment of a hi-tech industrial park in Ogun-Guangdong Free Trade Zone in Ogun State. Also, the Chinese are playing an active part in the development of air transportation industry.

The China Civil Engineering Construction Corporation (CCECC) with loan facilities from the Export-Import Bank of China is currently revamping Nigerian light rail network to improve public transportation options for people that work and live in Abuja. This makes people wonder which western nation, including the United States, has the financial wherewithal and appetite to embark on such ambitious projects in Africa today, beyond the extractive industries. The project began in May of 2009 and was completed in December of 2014. Also, CCECC is handling the modernization of several international airports in Nigeria. The modernization is not just about rehabilitation but also about the reconstruction and construction of new ones. Currently, the Chinese are handling five airport projects: Murtala Muhammed International Airport (domestic wing), Abuja International Airport, Port Harcourt International Airport, Malam Aminu Kano International Airport in Kano and Akon Ibiam International Airport in Enugu (This Day, 2016). Just as the Chinese are crucial to construction and

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Table 2: Growth and share of different sectors in Nigerian GDP growth, 5-year averages (1990-2014).

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<tbody>
<tr>
<td>Agriculture value added (%)</td>
<td>25.4</td>
<td>27.5</td>
<td>29.2</td>
<td>25.1</td>
<td>21.9</td>
</tr>
<tr>
<td>Industry value added (%)</td>
<td>24.8</td>
<td>22.4</td>
<td>22.3</td>
<td>21.2</td>
<td>25.5</td>
</tr>
<tr>
<td>Services value added (%)</td>
<td>49.8</td>
<td>50.1</td>
<td>48.4</td>
<td>53.7</td>
<td>52.6</td>
</tr>
<tr>
<td>Growth in GDP (%)</td>
<td>3.1</td>
<td>2.1</td>
<td>6.5</td>
<td>6.3</td>
<td>5.7</td>
</tr>
</tbody>
</table>

Source: Ajakaiye et al. 2016.

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Footnotes:

⁴The point was raised by two officials in the Ministry of Foreign Affairs and one in the Ministry of Tourism, Culture and National Orientation and corroborated by a panel of academics at NIIA.

⁵Phone Interview with ADB economist, January 27, 2017, Abuja and corroborated by government officials, as well as NIIA academics.

⁶A business trade and investment guide (magazine) published by Corporate Guides International and Nigerian Investment Promotion Commission (NIPC).

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infrastructure development, they are also important in the rest of the nations, especially in key trading towns like but not limited to Kaduna, Kano, and Jos. Recent infrastructure development in Nigeria is heavily reliant on the efforts of Chinese entities.

The government is also pursuing engagement with China to improve the communication infrastructure, noting that China offered Nigeria with their first communication satellite NigComSat-1. When the satellite developed problems, China was again the source for replacement (NigComSat-1R) and an additional satellite24. These satellites have assisted improve communication infrastructure in Nigeria, although the mobile networks in Nigeria remain overburdened by heavy demand and constant traffic. By further developing the infrastructure in Nigeria, the Nigerian government hopes to promote conditions that will foster sustainable development growth.

Taking stock of the increasing entrepreneurs and consumers drive

Nigerian stakeholders react positively to their increasing engagement with China. The import of inexpensive manufactured products from China has opened up whole new opportunities for entrepreneurs and poorer Nigerian consumers. Chinese-manufactured goods have flooded the Nigerian marketplace throughout the nation, and Nigerians are the engine behind the mass dispersal of Chinese products. Purchase is made by crate loads from ports or from Chinatown, broken down into smaller units, then sold by a third party to yet another party in even small units, until shoppers make contact with the actual traders that finally sell the products. Entrepreneurs note that they prefer doing business with the Chinese because they offer them with exactly what they need and want in terms of levels of quality; they asserted that it is easier to acquire low-quality products but upon request higher quality products are made available. Additionally, the flexibility of the Chinese suppliers permits Nigerians to purchase within their means. The affordability of the Chinese goods for Nigerian consumers has also resulted in augmented comparative profitability and net income of Nigerian engaged in the purchase and sale of Chinese goods.

Nigerian entrepreneurs are doing business with the Chinese because it is an economically viable endeavor that has netted exponential returns in spite of the fact that Chinese goods are typically considered inferior to Western goods, or are cheaply-made copies. For example, the Onitsha traders welcomed the opportunity of trading with the Chinese than those of other western partners like the United Kingdom and the United States for the reason that they value the ability and the opportunity presented by purchasing products at a lower cost. Domestic trading of Chinese products has improved the economic situation in Onitsha and its environs in Nigeria. It has consequently opened a lot of other business activities thereby creating necessary conditions for high and sustained economic growth which is accompanied by the structural transformation of their economic base leading to a generation of employment. Onitsha has regenerated, investor confidence is soaring and there is actual headway in transforming the living conditions and affordability of basic necessities of life. There has also been an improvement in consumer welfare due to lower sales prices. The affordability of Chinese imports ordinarily classified as luxury products has considerably augmented the relative spending power of the average Nigerian. The affordability of Chinese products has reduced market prices of most products to a fraction of what they were just years ago. This enhances the level of prestige and self- respect that has not been lost on Nigerian consumers; as such, the demand for Chinese goods continues to grow at an exponential rate.

Furthermore, the rate of employment is a factor that most of the stakeholders agree to have improved. The outcome display that it has been possible for the traders to employ direct and indirect workers on a daily basis. The number of imports coming into the community daily has made it possible to create sustainable employment all through the year. People from neighboring rural areas do not need to travel or migrate to big cities just to gain employment. Though some of them say they perceive that it has augmented a bit, but the effort has been tremendous and quite positive for Onitsha local community when one estimates the number of products coming in every day and also comparing Onitsha to what other neighboring rural areas look like. Not only has downstream economic activities improved but there is also the promotion of upstream activities. The government has gained a lot of revenue from the importation tax charged from the local importers. From the number of importation examined from the stakeholders, much revenue is being accrued by the government [40].

Also, doing business with the Chinese has opened up Onitsha community to the world by show casing the town as a vibrant economy with a strong business community. It has attracted national stakeholders as well as global stakeholders. Also, evidently China has seen that “Nigeria is a consumer country”25 and are packaging their products and service to meet the demands of this consumer base. In all situations, when people engage in business with others there are profits accruing to the entrepreneur. But in the case of Nigeria, there are two factors the Nigerian entrepreneur consider quite vital.

Firstly, the ease of doing business with the Chinese; ease in the sense that probably until recently, the Chinese tended to believe more of Nigerians than the Western partners. The ease of business for Nigerians is not only arising from enterprise business. The Chinese government has also implemented policies (immigration, economic, etc.) that facilitate Chinese and Nigerian partnership. This support from the Chinese government in streamlining the business process is obvious and has turn out to be a robust attraction for Nigerians. Secondly, business with the Chinese employed simpler business procedures and Chinese partners were considerate and accommodating of their Nigerian colleagues and business partners. The Chinese are noted as very responsive to their Nigerian partners, quick to communicate, flexible and considerate of special cases in their negotiations. The Chinese are viewed as reliable as well as better communicators. With these diverse attractions from the Chinese, is quite evident that the difficulty of doing business with the United States and European, and comparative ease of doing business with the Chinese is pushing Nigerians to engage with China.

Besides bolstering the economic growth in Onitsha and Nigeria in general, trading in Chinese products have also produced positive spillover effects such as the introduction of fresh technology, knowledge transfer and acquisition of new skills. This is the key objective which this paper posits as one of the most significant aim motivating Nigerians to engage with China at governmental, public, and private levels. The Chinese offer a new picture of a nation that has speedily industrialized and has alleviated and successfully addressed issues of poverty amongst constituents. Nigerians are looking to learn from the Chinese development model, not to duplicate it, but to borrow from the ideas and logic behind China’s recent rapid economic and social development. Nigerians are seeking knowledge from the Chinese in several areas: infrastructure development, education, capacity building

24Interview with government official in the Federal Ministry of Science and Technology. The respondent noted that while these satellites primarily serve Nigeria, they also serve Central Africa.

25An observation made by several interview respondents over the course of writing this paper.
through technology transfer, economic development, agriculture, adaptation, manufacturing, and healthcare. Regarding economic development and growth, the particular areas of interest for Nigerian entrepreneurs and policymakers is small and medium enterprise (SME) development.

A banker at the Nigeria Export-Import Bank (NEXIM) asserts that Nigerian SMEs most likely have to benefit from the snowballing engagement with the Chinese. Western nation's capitalist models of development, for the most part, were built on economies and industries of scale, which are the products of specialization. Such large-scale projects have been predominately unsuccessful in Africa and Nigeria. Reasons for persistent underdevelopment throughout Africa have been pursued by several policy specialist and scholars. Theories with a rationale similar to dependency theory have been introduced, but lasting and sustainable solutions have yet to be discovered.

This section is not concerned with contributing to the argument on addressing and solving the issues of underdevelopment in Nigeria, but what remains indisputable is that continued attempts for industries of scale have mostly been unsuccessful. Numerous factors including, but not limited to, the dearth of reliable logistical backing, unreliable infrastructure, and external pressure have contributed to these unsuccessful methods. This has led to the “need to look to the East for a fresh blueprint for development”. Engagement with the Chinese offer a paradigm shift in the approach of economic expansion, one that may be better suited for Nigeria's economic culture and several budding business persons. Nigeria is learning how to be successful and self-supporting or at least, self-promoting from China. However, Nigeria can draw inspiration from China but must not aim to be China but surpass China.

Conclusion

Although a substantial amount of information was gotten from the interviews that were carried out, it is quite evident that this paper is only scratching the surface of Nigeria-China relations and subsequently Nigeria’s China policy. Therefore, future studies should come up with factors that are necessary for Nigeria or Africa to develop a favorable environment for Foreign Direct Investment and Trading which is not to the detriment of her private sector. Also vital is how these factors should be aligned with the overall regional and national development objectives or strategies to leverage domestic comparative advantages. Furthermore, a viewpoint not sufficiently addressed by existing literature is the position that increasing China-Africa relations can be seen as political and economic interdependence because of China's influence.

The central research question posed by this study is: Why do Nigerians choose to engage with China? Through all underlying recognized themes, the paper finds out that engagement with the Chinese offers Nigerians a novel opportunity to make headway, and that is the reason Nigerians choose to engage with the Chinese. The importance of these themes is their demonstrations of intent and agency on the part of Nigerians engaging with the Chinese. Additionally, it also gives backing to the central argument of this paper: that Africans are willing and active participants of their engagement with the Chinese, and that Nigerians are making state-centric realist decisions in search of their perceived best interest. Also, Nigeria is engaging with the Chinese as a result of the level of competition China has created in the global economy. Although China is using Nigeria to pursue its own national interests, Nigerian government officials note that Nigeria is doing the very same with China and continues to do so, because of the Chinese aid in capacity-building as well as the funding of key projects in Nigeria.

For the purpose of providing technological advancement, Nigerian government sees the Chinese as a better alternative source than the West. In line with this, Alden [5] and Brautigam [4] assert that Chinese government is more generous with technology than the West. However, vital questions have arisen regarding the shelf-life of these technologies, since rapid advancement make even today's technologies obsolete. As a result of this process of obsolescence, the continued viability of the technology that the Chinese bring into Nigeria is under scrutiny by Nigerian regulatory agencies and consumers. Also, the hardware and equipment from China present a compatibility problem as a result of language barriers; the equipment is sometimes labeled in Chinese with Chinese language manuals that are not accessible to even the average educated Nigerian. Nonetheless, irrespective of these challenges, the most important thing is that China's technology provision is starkly dissimilar from Western nations. Therefore, Nigerians are logically going to China to acquire what the West has withheld.

The continued development of business relationship makes the Chinese even more lucrative for Nigeria as a result of the relative freedom of access to what the Nigerian people need and demand. It is relatively easy for Nigerians to trade and have access to China as a result of the comparative freedom of entry and competitive affordability and profitability of China’s products. This is not to say no concerns exist; there are significant concerns regarding the quality and safety of Chinese products. But in spite of these concerns, the opportunities that China presently provides outweigh the costs of engagement with China. Nigerian and Africans alike are also motivated by the easy disbursement of Chinese funding, loans, and investment. To pursue Nigeria’s own self-interest and objective, Nigerian actors are hoping to learn from China, taking advantage of the relative affordability of Chinese product and technology, the assistance, training, and education readily offered by the Chinese government. African engagement with China, particularly as facilitated by FOCAC [40], has permitted African nations, public, and private players to meet and interact whereas they might not otherwise do so. Although this may not be an obvious drive for engaging with the Chinese, it is actually a great consequence to Africa and Nigeria’s growth.

Acknowledgment

This Article Entitled “African Drives in Snowballing Engagement with the Chinese: The Case of Nigeria” is Sponsored by the Institute of African Studies, Zhejiang Normal University, China. The Project Number is FF201615.

References


[26] List compiled from interviews with African Development Bank (AfDB) economist (2/27/17) and Nigerian Institute of International Affairs (NIIA) political scientists and scholars (2/16/17), and corroborated by interviews with government officials and business and industry representatives.

[27] Interview with Nigerian Export-Import Bank (NEXIM) Banker, December 13, 2016, Abuja.

[28] Interview with National Agency for Food and Drug Administration and Control (NAFDAC) officer, December 18, 2016, Abuja.