

NIGERIA-CHINA BILATERAL RELATIONS AND NIGERIA'S DEVELOPMENT: AN APPRAISAL

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Abstract

The Berlin Conference of 1884-1885 saw the scramble for Africa by the greatest powers at the time, even without Africa's consent. Unfortunately, after many years of Metropolitan manipulation of the African continent sequel to colonialism, a new scramble for Africa has appeared on the horizon. In Nigeria, long years of careful image laundering seemed to have portrayed China as both the dominant and most preferred competitor for the country's patronage in the neo-colonial era hence, the argument that colonialism was detrimental to Nigeria's development appears to have been subsumed in the expectation that China would be more humanistic and development-oriented in its dealings with the Country. This, paper evaluates the impact of Nigeria-China bilateral relations on Nigeria's development. It adopts the Theory of the Post-Colonial State to demonstrate that China's assumed credentials as a better development partner for Nigeria may not obviate the tendency for exploitation which often occurs in relations between developed and underdeveloped/developing countries. Accordingly, it warns that despite China's benevolent role in Nigeria's recent infrastructural undertakings, Sino-Nigerian relations may become counterproductive for Nigeria's development in the long run. Consequently, it advocates that a policy of non-alignment with any of the competing powers would be more beneficial to the Nigerian economy.

Keywords: Nigeria-China, bilateral relations, development, Belt and Road Initiative

Introduction

Nigeria's worsening economic crises and a continuously depreciating balance of trade appear to have compounded the country's burden of infrastructural development making it imperative for the "giant of Africa" to reach out to more viable countries, with a view to entering into favourable partnerships in order to resolve the quagmire. Quite recently, a new scramble for Africa appears to have begun with former colonial powers battling for spheres of control on the continent. China is also not left out in the quest for economic dominance and political relevance on the continent given the Asian giant's unrelenting strategy of unconditional loans and selfless aid to African countries dating back to the 1950s or much earlier. According to Onuoha (2008), China is not particularly a novice in African affairs as Chinese traders and explorers had been operating on the coasts of Africa since the early 15th Century. However, Sino-African bilateral relations became more prominent with an increased trade volume since the year 2000. Essentially, Nigeria – China relations became official in February 1971, following Nigeria's establishment of diplomatic relations with China. Sequel to the 1971 event, Nigeria alongside other countries also recognized China as the official representative of the Chinese people leading to the replacement of Taiwan at the United Nations (UN) in 1975. Since then, relations between both countries have remained cordial.

Theoretical Perspective

This paper inclined to the Theory of the Post-Colonial State in evaluating the nature and impact of Sino-Nigerian relations on Nigeria's infrastructural development. The Theory of the Post-Colonial State evolved in the mid-20th century particularly in the era of Decolonization and became the major framework for explaining and understanding the trajectory of socioeconomic formations through the prism of colonialism. According to Obasi (2023), "Edward Said's "Orientalism" (1978) is often credited with creating the earliest

foundations for the Theory of the Post-Colonial State.” Similarly, Frantz Fanon’s studies on Imperialism and post-colonial nationalism were also critical to the evolution of the Theory. The Theory could be useful in studying the nature of post-colonial relations between foreign super powers and former colonial formations with a view to predicting and averting the possibility of subtle recolonization.

The Nature of Relations

Relations between Nigeria and China are essentially bilateral (occurring between two internationally recognized countries). Sino-Nigerian bilateral relations have remained cordial since 1971, though with some skepticisms bordering on racism, balance of trade, Chinese loans and aids, Nigeria’s infrastructural development and the need to determine what exactly China wants in Nigeria. Historically, Nigeria’s colonial experience readily suffices to elicit suspicion in its dealings with major players in the international community. Thus, China’s foray into the country has been accepted with a pinch of salt considering its long-term struggle with the United States for relevance in global affairs with attendant possibilities of drafting Nigeria into proxy wars and alliances against the US *inter alia*. This suspicion notwithstanding, Nigeria-China relations have continued seamlessly but the benefits of relations to both countries seem to be tilted towards China. Interestingly, China has enough reasons to up the ante in her relations with Nigeria in order to evade the pitfall of going the way of her competitors often accused of various exploitative tendencies. In any case, China’s apparent endearment to the Nigerian business community seems to have attracted the jealousy of these competitors who now accuse her of unfair business practices like bribery to secure oil fields; (Anyu and Ifedi, 2008). Interestingly, Chinese presence appears to have been increasing in Nigeria despite the suspicion of the host country and the criticisms of China’s competitors.

Previously, majority of the companies representing China in Nigeria appeared to be mainly interested in Nigeria’s oil sector. However, recent evidence shows that China’s presence in Nigeria’s hospitality industry is steadily growing. Furthermore, a cursory look at the Sino-Nigerian relations shows that Chinese companies appear poised to take over American and other interests in Nigeria – a situation which has given rise to several countermeasures especially from the Americans to wade off Chinese intrusion. Consequently, China’s Oil-for-Infrastructure (OFI) deal with Nigeria which aims at stemming over half a century of corruption, rent-seeking and lack of accountability in Nigeria’s oil sector while bridging the country’s infrastructure deficit appears to have elicited a measure of panic from the Americans especially after Nigeria signed on to China’s Belt and Road Initiative (BRI), which was an ambitious transcontinental passage in the form of a “Silk Road Economic Belt” aiming to connect China by land, coupled with a “Maritime Silk Road” and sea route linking China’s coasts with south Asia, the Middle East, South Pacific, Eastern Africa and Europe. The aim of the BRI was to achieve financial integration by connecting people through unhindered trade and infrastructural connectivity. As expected, this ambitious initiative appears to have caused some sleepless nights for the Americans who have now articulated the \$40 trillion worth Build Back Better World framework which aims at catering for the infrastructural deficiencies of developing countries by 2035.

The purpose of this paper is mainly to juxtapose observable aspects of Sino-Nigerian relations with those of Nigeria and China’s competitors like the UK and the US, with a view to identifying areas of convergence or similarity in the nature of relations. Therefore, if similarities exist between US/UK-Nigeria relations and China-Nigeria relations where US/UK dealings with Nigeria were considered exploitative, then, China’s relations with Nigeria would necessarily be exploitative.

China's Racist Tendencies

One of the most important attributes of the colonial era in Nigeria was the phenomenon of racism. The British colonial enterprise in Nigeria was built essentially on the foundations of racism both from within and without. For instance, British impression of Nigerians as an inferior people created some form of apartheid between the colonizer and the colonized so that even when the British claimed in their treaties to aim to protect Nigeria and prosper her, British officials found it rather disgusting to even live among Nigerians. Thus, in many parts of British Nigeria, it was not unusual to find British officials living in well-constructed houses with neatly-paved lawns sited far away from Nigerian settlements which were essentially deplorable shanties. This was the basis for Nigeria's enclave development. Given the forgoing, China's emerging British-styled racism towards Nigerians at home and abroad is enough cause for worry. For instance, on 10th April 2020, reports revealed a video of a Nigerian diplomat who was publicly protesting the racist maltreatment of fellow Nigerians in the Chinese city of Guangzhou. This diplomat alleged that Nigerians were being quarantined for COVID-19 beyond the statutory 14 days provided by Chinese law. He also alleged that the passports of these Nigerians were being seized by Chinese officials, making their exit from the facility rather impossible. In the same notorious city of Guangzhou, a Nigerian had died in police detention in 2012 resulting in mass protests by the Nigerian/African community in China, with a similar incident occurring in 2009 where a Nigerian was chased out of the window of a high-rise building by Chinese police officials.

Back home, Chinese companies are known as some of the worst in terms of ensuring local worker safety and welfare. According to Taiwo (2023), a number of Nigerian workers in Chinese firms are subjected to inhumane treatments, "with some getting disabled as a result of accidents that happen while on duty." Furthermore, instances abound about the lack of empathy on the part of these Chinese firms towards injured or disabled staff, and how they quickly get rid of such staff shortly after their predicaments. This is in addition to the nagging question of low pay. Taiwo (2023) records the accounts of several insiders in Chinese companies regarding corporate maltreatment. For instance, a certain Simeon Aju recounts how the Chinese company Dolphin Iron and Steel Limited, located in the Papalanto area of Ogun State which he was working for abandoned him when an iron fell on his left leg in 2018. He was compelled to leave the company in July 2018 while on a salary scale of 30,000 naira. Aju complained that he was never compensated by the company for the injury even when the very painful leg had become a serious obstacle to his productivity. Additionally, Alake Damilare, a former supervisor in the same Company complained that he spent 6 years in the Company but his salary did not improve. Rather, there were deductions from his salary which jeopardized his responsibilities as a father of 3. Similarly, Sunday Ganiu, a native of Sagamu who worked in another Chinese firm also gave account of his untoward experiences. Ganiu was forced to abandon his salary and leave the firm after his suffering became unbearable. The former employee of Adnan Utensils Department located at Ogun Free Trade Zone claimed that he was made to wash trucks, carry heavy equipment even when these activities were not part of his job description.

To worsen matters, he regularly slept outside a nearby store irrespective of weather conditions. These sad incidents are reminiscent of British racist brutalities in Nigeria during the colonial era. Therefore, it is safe to conclude that a country with such a racially discriminatory disposition is very likely to be an exploitative "development" partner.

Balance of Trade and Investment

Logically, Nigeria's historical insertion into the global predatory capitalist architecture predisposes her to the vagaries of economic manipulation by the dominant capitalists of the international system. The Country's pathetic position in the international relations of

capitalist production is further reinforced by her intractable inability to engage in meaningful production for exports over the years, resulting in unfavourable terms of trade and payments. Against this background, it would amount to wishful thinking to hope that the balance of trade between Nigeria and China would improve, when compared with those of Nigeria's known trade partners like Britain and the US. Interestingly, recent information seems to reveal that the balance of trade between China and Nigeria could be worse than that of the US and Nigeria. According to the Observatory of Economic Complexity (OEC), an online platform which generates and distributes data from several sources for analysis by the private and public sectors as well as the academia, in 2021, US exports to Nigeria amounted to \$4.42b while Nigeria's exports to the US amounted to \$3.69b. This reflects a trade deficit of about \$730m in favour of the US. China's exports to Nigeria in 2021 amounted to \$21.9b while Nigerian exports to China amounted to a paltry \$3.05b. In the same year, UK exports to Nigeria were valued at \$1.71b while total Nigerian exports to the UK stood at \$1.34b reflecting a deficit of about \$370m in favour of the UK. The OEC also reports that in November of 2023 alone, China's exports to Nigeria totaled \$1.48b while Nigerian exports to China amounted to just \$237m. Additionally, China exported goods and services worth \$1.81b to Nigeria in December of 2023 while Nigeria only exported a mere \$355m worth of goods to China in the same month. Furthermore, the Trade and Investment Factsheets which showcases the latest data on UK-Nigerian trade reports that total UK exports to Nigeria "in the four quarters to the end of Q3 2023" totaled 4.0 billion pounds while UK imports from Nigeria in the same period was only 2.7 billion pounds.

The above statistics show that not only does an unfavourable balance of trade exist between the Nigeria and China as well as Nigeria and other trade partners like the US and the UK, they also suggest the likelihood that Sino-Nigerian trade relations could portend more trade deficits for Nigeria than US or UK-Nigeria trade relations.

In terms of investments, the story is a bit different especially when it comes to Nigerian businesses operating in the UK. A research project led by Northumbria University in the year 2020 reports that there are 26,136 companies registered in the UK with Nigerian affiliations. Notwithstanding, these companies appear largely insignificant when compared to their British counterparts operating in Nigeria. However, many of the Nigerian banks have established presence in the UK but a report published by Statista Research Department in August 2023 shows that none of these Nigerian banks appeared in a list of leading banks in the UK in terms of the number of customers in 2022. This is in contrast to the Nigeria Trade Centre (NTC)'s characterization of British companies as "among the oldest and largest employers of labour in Nigeria. NTCs records show that an array of well-known companies in Nigeria like the British Airways, Shell BP, PZ Cussons, Unilever, GlaxoSmithKline, Cadbury Nigeria Limited, John Holt etc., are all British-owned. The fact that some of these companies like Unilever and GlaxoSmithKline are already on their way out of Nigeria due to the harsh realities of the Country's business environment appears to do very little to ameliorate Nigeria's unfavourable balance of investments as far as UK-Nigeria trade relations is concerned. What is more, the US-Nigerian bilateral relations appear to follow the same pattern.

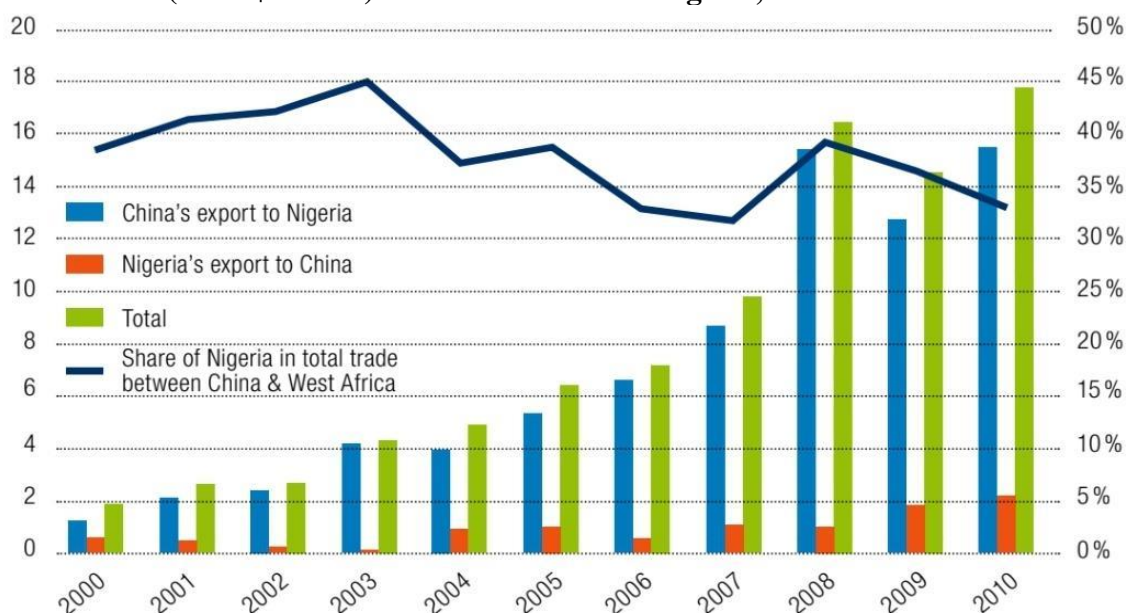
Olukoshi (1998) cited in Onuegbu and Hanson (2016) report that "the burgeoning American private capital and its attendant investment drives had made a meaningful inroad into the Nigerian economy by the middle of the first decade after independence." Thus, the Nigerian business landscape is littered with American-owned giant multinational corporations many of which had controlled Nigeria's most critical sectors even before the Civil War. Oluwole (2000) cited in Onuegbu and Hanson (2016) observes that in the pre-Civil War Nigerian oil sector, there was Gulf Oil, Mobil Oil Corporation, Texaco Oil etc. In the telecoms sector, there was the International Telecommunication Company (ITT) and the

American Telephone Company (ATC). In the building and construction sector, companies like Schlumberger and RCC held sway while the Indian-American Textile Mills in Lagos, Aba and Kano controlled the textile industry. Similarly, American agro-allied industries and processing companies were prominent. Today, not only has the number of American companies in Nigeria increased, a majority of these companies are headquartered in other countries; (Adebo, 2023). Unfortunately, Nigeria-China trade relations now appear to follow the same pattern. Sasu (2022) highlights that “In a field survey conducted between November 2016 and March 2017 across eight countries in Africa, a total of 920 Chinese firms were found in Nigeria. This was the highest count among African countries, followed by Zambia and Tanzania, which registered 861 and 825 Chinese companies, respectively” (Sasu, 2022).

Similarly, according to Bala (2024), the Chinese Embassy in Nigeria recently admitted that China has become the dominant force in Nigeria’s building and construction industry, a situation which has elicited complaints by indigenous contractors of being forced out of major projects. Yet, in spite of the foregoing, the number of Nigerian-owned companies in China remains insignificant, of which the First Bank of Nigeria which opened its Beijing office in 2010 is probably the most visible. According to a November 2011 report by the Sahel and West Africa Club Secretariat,

Bilateral trade has grown exponentially since China and Nigeria signed an agreement on trade and investment promotion and protection in 2001. The value of trade reached USD 17.7 billion in 2010, almost 10 times its level just ten years before. While Nigerian exports to China more than doubled, they have not kept pace with the growth of Chinese exports to Nigeria. Thus, a hefty trade imbalance has not only persisted but also intensified. Chinese exports represented 66.7% of the bilateral trade total in 2000 and 87.3% of the total in 2010; (Sahel and West Africa Club Secretariat, 2011).

Figure 1: Trade (in US\$ billion) between China and Nigeria, 2000-2010



Source: UN Comtrade, <http://comtrade.un.org>

Table 1: Major Chinese Companies and Businesses in Nigeria

Company/Business	Yr of Entry	Area of Interest
China Petroleum and Chemical Corporation (SINOPEC)	2006	Oil and exploration and energy services
China National Petroleum Corporation (CNPC)	2006	Oil exploration
China National Offshore Oil Corporation (CNOOC)	2006	Oil exploration
Zhonghao Overseas Construction Engineering Company	2007	Oil and solid minerals exploration, engineering and construction
China State Construction Engineering Corporation (CSCEC)	2010	Building Construction and Engineering
China Civil Engineering Construction Corporation (CCECC)	1981	Building Construction and Engineering
China National Petroleum Corporation (CNPC)	2006	Oil exploration
Huawei Technologies	1999	Telecommunications
ZTE Corporation	2002	Telecommunications
Sinohydro Corporation	2014	Building Construction and Engineering
China Harbour Engineering Company (CHEC)	2006	Maritime Construction and Engineering
China Railway Construction Corporation (CRCC)	2006	Railway construction and Engineering
Transsion Holdings (Infinix)	2008	Telecommunications
Guangzhou Automobile Group Company (GAC)	2011	Automobile Engineering
TCL Communication (Alcatel)	2015	Telecommunications
Big Treat Plc	1985	Hospitality
Golden Imperial Chinese Cuisine	----	Hospitality
Golden Gate Restaurant	1996	Hospitality
Viju Industries (Viju Milk)	2004	Food, Beverages and Confectioneries
Western Metal Products Company Ltd (WEMPCO)	1969	Manufacturing
Opay	2018	Financial technology
Palmpay	2019	Financial technology
Gezhouba Group Corporation	2011	Engineering and construction
China Geo-Engineering Corporation Overseas Construction Group Company Ltd (now CGCOC Group Company Ltd)	1983	Engineering and construction
Cway Nigeria Drinking Water Science and Technology Company Ltd	1999	Foods, beverages and confectioneries
Kindea Chinese Hotel	----	Hospitality
China Hotel	2001	Hospitality
Zen Garden	2012	Hospitality
New China Restaurant	2003	Hospitality
Pearl Garden	2011	Hospitality
Wakame Restaurant	2009	Hospitality
Zenith Water Margin Chinese Restaurant	2007	Hospitality
Woks and Koi Chinese Bar	2013	Hospitality

Mr. Chang Chinese Restaurant	2010	Hospitality
Flaky's Chinese and Continental	2005	Hospitality
Soho Chinese Restaurant	2012	Hospitality
Xing Wok Chinese Restaurant	2016	Hospitality
Shiro	2014	Hospitality
Hundreds Chinese Restaurant	2009	Hospitality
Ying Yang Express	2017	Hospitality
Spring Tree Chinese Restaurant	2015	Hospitality
China Wok Restaurant	2006	Hospitality
Oriental Garden Chinese Restaurant	2013	Hospitality
Prime Chinese Restaurant	2008	Hospitality
Hotel Seventeen Chinese Restaurant	2001	Hospitality
Red Chinese Restaurant	2010	Hospitality
The Palace Chinese Restaurant	2011	Hospitality
Banana Republic Restaurant	2012	Hospitality
Sinoni Chinese Restaurant	2010	Hospitality
The Papillon Restaurant	2007	Hospitality
Chopsticks	2009	Hospitality
Marcopolo Oriental Restaurant	2004	Hospitality

* The author could not get the dates of entry of some of the Chinese hotels due to unreliable data sources

* The list may not possibly capture all the Chinese hospitality outfits in Nigeria due to the possibility that many others could be operating informally.

Source: Author's tabulation.

Table 2: Major Nigerian Businesses in China

Company/Business	Year of Entry	Area of Interest
Globacom	2021	Telecommunications
Olam Group	1994	Manufacturing, processing and distribution (agro-based)
Interswitch Group	2015	Financial technology
Zenith Bank Group	2013	Banking and Finance
First Bank	2010	Banking and Finance
Standard IBTC	2018	Banking and Finance
Nigeria Export-Import Bank	1991	Banking and Finance
United Bank for Africa	2008	Finance
Access Bank	2010	Finance
Fidelity Bank	2008	Banking and Finance

Source: Author's tabulation.

Table 3: Percentage of China's Imports from Nigeria (1992-2016)

Sector	Import (%)
Agriculture	1.98
Mining	74.51
Manufacturing	23.51

Source: Adapted from UN Comtrade (2016) cited in Gold & Devadason (2018).

Table 4: Percentage of China’s Exports to Nigeria (2010)

Sector	% Import
Telecom equipment	9
Textile products	9
Vehicles	11
Electrical equipment	10
Agro-food products	3
Industrial machinery	9
Other manufactures	39

Source: Adapted from Egbula and Zheng (2011).

The above figure and tables clearly depict the major trends in Sino-Nigerian trade and investment relations. In Figure 1, Chinese and Nigerian exports to each other are relatively growing, but the growth in Chinese exports to Nigeria far surpasses that of Nigerian exports to China. However, Table 1 confirms China’s growing interest in Nigeria’s hospitality industry, which represents a radical departure from Alao (2010)’s perception of oil as China’s main interest in Nigeria. Furthermore, Tables 1 and 2 demonstrate the disparities of trade and investment vis-à-vis the number of Chinese businesses in Nigeria and vice versa, showing clearly that such disparity is in China’s favour, while Tables 3 and 4 show China’s increasing diversification in its trade and investment relations with Nigeria, unlike the case of Nigeria which has remained largely oil-based.

Accordingly, the major concern of this paper is such that given the lessons learned vis-à-vis the trade relations between Nigeria and China’s predatory competitors like the US and UK, it would appear that there are already emerging imbalances in China-Nigeria trade and investment relations which currently favour China and which could get worse. Another major criticism of the China-Nigeria investment relations is that aside the fact that the real benefits of investment accruable to Nigeria have always been questionable, the human capital development side of the equation in most Sino-Nigerian trade and investment agreements is often unattended to (Atomre et al., 2009)

Chinese Loans and Aids

A major plank of the Chinese strategy of image laundering in Africa is her loans and aids package which appear altruistic to the continent’s developmental ambitions. According to Gold et al., (2017), China’s international development assistance began as early as 1949 sequel to the Non-Aligned Nations’ Bandung Conference of 1955 which aimed at supporting Third World development. Gold et al., (2017) report that:

During this era, China borrowed and gave political, moral, limited military assistance and other forms of aid to decolonizing Africa (*ibid.*). Its first development assistance programme in Africa was to Egypt in 1956, Guinea in 1960 and socialist leaders in Ghana and Mali. The scope later extended to all African countries enjoying diplomatic relations with Beijing in lieu of Taipei...; (Gold et al., 2017).

Chinese assistance to Africa was to receive a major boost under Jiang Zemin’s “Going Out” policy in 1999, in which China’s new plan for economic development was to involve external assistance to especially Africa. Thus, the Forum on China-Africa Cooperation was inaugurated in Beijing in October 2000 as an essential platform for pushing the policy. However, China’s debut as an aid donor to Nigeria was in 1972 when it established a “formal economic and technical cooperation agreement” with the West African

country (Gold et al.,2017). Since then, quite a number of material and financial aid has accrued to Nigeria courtesy of China. A breakdown of China’s aids and loans to Nigeria in the period 2001-2012 as outlined by Gold et al., (2017) is shown in Table 5.

Table 5:Breakdown of China’s Aids and Loans to Nigeria (2001-2012)

Year	Nature of Loan/Aid	Funding/Implementation Individual or Agency
2001	Computers, television and antimalarial drugs	China’s Ambassador to Nigeria Liang Yinzhu
2002	Construction of 3000 small dams and training of 10000 Nigerians on the construction and management of Dams.	United Nations Food and Agriculture Organization (FAO)
2003	Cancellation of Nigeria’s N=325 million debt to China.	China’s Vice Foreign Minister Qiao Zonghuai
2004	\$100 million loan for National Rural Telephony Project	ZTE and Alcatel-Lucent Shanghai Bell Company, in partnership with Huawei Technologies Company Ltd
2004	Sponsorship of 13 Nigerian carpet professionals and government officials to a 2-month International Training Programme on Carpet Technology in Fuzhou, Fujian	The Ministry of Commerce in partnership with the Fujian Association for Promotion of Asia-Pacific Economic and Cultural Exchanges
2006	“Oil-for-Infrastructure” deal leading to the commitment to exchange four oil licenses with \$4.5 billion for the construction of Lagos-Kano railway, Kaduna refinery rehabilitation and completion of the Mambilla power station.	China Civil Engineering Construction Corporation (CCECC) in partnership with Chiyoda Corporation and China National Petroleum Corporation (CNPC)
2006	Investment in the light rail transit from the Nnamdi Azikiwe Airport to the Abuja city centre.	Exim Bank (funding), Guangdong Xinguang and China Civil Engineering Construction corporation (implementation)
2006	\$8.3 billion (later reduced to \$8 billion in 2009) oil-for-infrastructure loan for the Lagos-Kano railway modernization project	Exim Bank (funding); Ministry of Transport, Federal Republic of Nigeria and the China Civil Engineering Construction Corporation (implementation)
2006	5 million yen grant to Nigeria for the procurement of antimalarial drugs as well as training on malaria and bird flu control; and technological cooperation	-
2007	\$1.46 billion loan for the Mambilla civil work and steel hydraulic structure.	Exim Bank (funding) and China Geo-Engineering Corporation (CGC), China Gezhouba Group Company Ltd (CGGC), China Geo-Engineering Corporation Overseas Construction Company Ltd (CGCOC), China National Electric Equipment Corporation (CNEEC), SinoHydro (implementation)
2007	\$50 million for the development of the Lekki Free Trade Zone	China-Africa Development Fund; public-private partnership (funding) and China Railway Construction Corporation (CRCC) (implementation)
2007	Donation of N=70 million worth of antimalarial drugs and avian flu-fighting equipment, biological sitting cabinets, freezers, incinerators and disinfectant	-

	equipment to Nigeria	
2007	Donation of \$1.6 million worth of equipment including portable camcorders, multimedia projectors, a laptop, 2 tape recorders, 2 tabletop computers, a printer and V-Sat accessories for the teaching of Mandarin at Nnamdi Azikiwe University Awka	Nnamdi Azikiwe University, Awka
2009	₦107.4 million for the construction of 4 primary schools in the rural areas of Katsina State, Nigeria.	-
2009	Construction of a \$12.5 million 150-bed National Staff Hospital, Abuja	Nigerian Federal Staff Hospital
2009	\$1 million dollars for the construction of houses and water distribution in the Federal Capital Territory	China Geo-Engineering Corporation (CGC)
2012	\$30.6 million concessionary loan for the digitization of the Kaduna State Media Corporation including the construction the Kafanchan and Zaria substations as well as 3 booster stations in Birnin Gwari, Lere and Sanga LGAs.	Exim Bank
2012	\$927 million loan for the construction of a 700 megawatt hydropower station on the Northern Zungeru River.	Exim Bank (funding) and Sinohydro, China National Electric Equipment Corporation (CNEEC) (implementation)
2012	\$100 million concessional loan for the development of the Galaxy Backbone ICT Network	Exim Bank
2012	\$500 million for the construction of four airport terminals in Enugu, Kano, Port Harcourt and Abuja	Exim Bank (funding) and China Civil Engineering Construction Corporation (CCECC) (implementation)

* The 2006 deal to rehabilitate the Kaduna Refinery under the oil-for-infrastructure regime failed due to a change of government in 2007.

Source: Adapted from Gold et al., (2017).

Scholars generally agree that Chinese loan conditions could be more palatable for developing countries compared to those of the US, UK or even the IMF. For example, the \$3.121 billion which was outstanding loans from China as at 31 March 2020 were concessional, with interest rates of 2.50% per annum, tenor of twenty (20) years and a moratorium of seven (7) years (Debt Management Office). This is in contrast to US-backed IMF loans which often come with conditions of cutting public spending on health and education, removal of food and allied subsidies, devaluation of the currency, sale of national assets, freezing wages etc. (Shafiu et al., 2023). In essence, Brautigam (2009) considers the often less concessional Chinese loans (relative to those of the West and multilateral creditors like the IMF) as having more favourable terms than the market could offer. However, what could constitute a major criticism of Chinese aids and loans is the “One China Principle” which restrains any country expecting aid from China from dealing officially with Taiwan or even recognizing it as a sovereign state in the international system. Hence, the “One China Principle” as a subtle conditionality for Chinese loans and aids does not appear to differentiate the Chinese regime of loans and aids from the US-backed World Bank/IMF loan regimes which are usually tied to certain conditionalities like currency devaluation, removal of subsidy, structural adjustment programmes etc. Even at that, the idea of a subtle

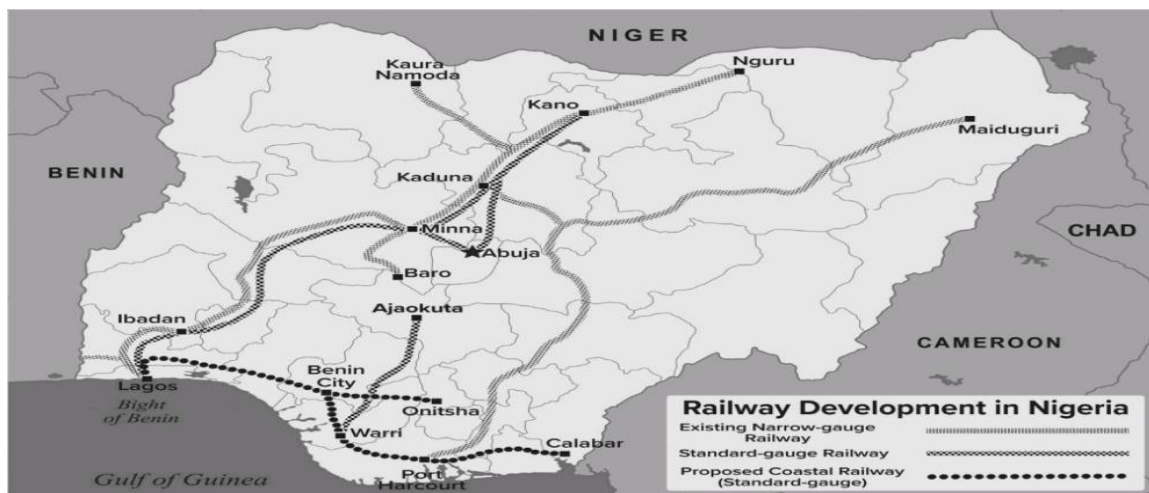
conditionality for what superficially appears to be altruistic loans and aids already portrays the Chinese foray into Nigeria as sinister.

Infrastructural Development

Without prejudice to other bilateral relations, Nigeria's association with China appears to have been of immense benefit to her current infrastructural ambitions. According to Gold et al. (2017), Nigeria initiated the concessionary oil-for-infrastructure deal with China in 2006 in order to bridge the Country's infrastructural deficiencies. Consequently, Chinese investment in Nigeria's infrastructure has been of a diverse nature ranging from rail transport to road transport, ICT, hydropower, ports etc. In terms of rail transport, China is heavily involved in the Abuja-Kaduna and Lagos-Ibadan railways. China provided a substantial part of the funds for both projects through loans and aids. According to Chen (2018):

In the railway sector, Chinese finance is backing two major standard-gauge rail (SGR) projects. The first is an upgrade of the Western trunk line from Lagos to Kano, replacing the colonial track...the 187-kilometer (116-mile) Abuja-Kaduna single-track SGR was first to be completed in 2014, at a cost of \$874 million. CCECC is in the process of constructing the next 312-kilometer (194-mile) Lagos-Ibadan segment, which was awarded in 2014 after the completion of the Abuja-Kaduna line, at a cost of \$1.2 billion...a second major project is a new coastal railway connecting Lagos to Calabar, via Warri and Port Harcourt, to include branch lines to Benin City and Onitsha.... The contract for the project, signed with CCECC in 2016, is reported to be worth \$11 billion. The Nigerian Senate approved a loan request to the Exim Bank of China in April 2017, which includes \$3.5 billion for the coastal project...; (Chen, 2018).

Figure 2 Current Railway Network in Nigeria.



Source: Chen (2018).

Katcha (2022) is of the view that the Lagos-Ibadan rail line was funded by a loan from China's export-import bank to the tune of \$1.3 billion with counterpart funding of about \$182 million by the Nigerian government. Additionally, Nigeria's Debt Management Office hints that the \$3.121 billion borrowed from China as at 31 March, 2020 was meant for 11 major projects which included the expansion of the Abuja, Port Harcourt, Lagos and Kano

airport terminals, the rehabilitation and upgrading of the Abuja-Keffi-Makurdi road, the upgrading of the Lagos-Ibadan rail project, the upgrading of the Idu-Kaduna rail project etc.

From the foregoing, China's role in Nigeria's desired infrastructural revolution is clearly discernible. However, there seems to be a lot of anxiety about what China actually wants in return from Nigeria, to warrant such magnanimity.

What China Wants in Nigeria

As stated earlier, China's seeming admiration for Nigeria has come with a lot of suspicion and anxiety bothering around what the Asian giant's true intentions for Nigeria really amount to. In this regard, the usual impression is that China's main interest in Nigeria is oil; (Alao, 2010). However, sequel to this research, it is clear that China is interested in something more than oil. Going by observed patterns, there are now more Chinese businesses in the Nigerian hospitality sector than in the oil sector. Chinese interest in the telecoms sector is growing steadily, while traditional Chinese interests in other sectors like building and construction, engineering or mining have not waned. What this means is that beyond the famed interest for oil, China seeks to dominate the entire Nigerian business environment. Interestingly, China's intention in the Nigerian business environment could possibly be to take over the traditional Anglo-American business interests which had existed even before Nigeria's independence. If this happens, then, Nigeria could be at the risk of trading one monopoly capital for the other. Notwithstanding the interest in Nigeria's business environment, China's overall strategic interest could be to court the friendship of Nigeria to the exclusion of other major competitors like the UK and the US so that in all matters of trade and investment, she could earn the privilege of first refusal. Interestingly, China's competitors in Nigeria are aware of this move and this possibly explains certain responses from the US like the "Build Back Better World" policy earlier highlighted, which the US has possibly articulated to redeem its business image in the Country. This suspicion is logical because in the global war for economic supremacy between the US and China particularly, there is need for the cultivation of very profound alliances beyond Europe. Therefore, with the US courting much of Europe and the Middle East and China courting much of Asia while struggling to supplant the US in Latin America, the battle ground would naturally shift to Africa and by extension, Nigeria, which is considered the economic power of Africa.

Finally, China's overall objective in Nigeria could be to buy the country's loyalty with a debt trap that ensures that at all times, Nigeria would be at a weak position to resist any inimical conditions, requests or suggestions made to it by the Asian giant, much like Nigeria's Americo-Western creditors and their multilateral agents are currently doing. Consequently, this paper nurses the suspicion that China is merely and subtly following the footsteps of her Americo-Western competitors in wooing Nigeria so as to put her in the same conditions that the Americans and their Western collaborators have done, but under a different regime that solely protects Chinese interests. Accordingly, the paper is of the view that a non-aligned attitude to both China and her Americo-Western competitors would afford the Nigeria the best in relations, given that this policy would indirectly compel all the competitors to toe the line of a perpetual struggle to outdo one another in the battle for Nigeria's patronage, while Nigeria continues to benefit from all sides.

Conclusion

We surveyed the nature and impact of Sino-Nigerian bilateral relations in relation to Nigeria's development, in the light of ongoing debates about whether Sino-Nigerian relations would best guarantee Nigeria's development when compared with previous relations between Nigeria and countries like the US and UK whose relations with Nigeria were considered exploitative. After an elaborate comparison between the various relations between Nigeria,

China, the US and UK, we observed certain emerging patterns in Sino-Nigerian trade and investment relations which tended to suggest that Sino-Nigerian bilateral relations may go the way of others before it, in terms of stifling Nigeria's development through trade imbalances, monopoly economics and the politics of debt traps which could predispose the Nigerian state to Chinese manipulations. Consequently, we advocated that a policy of non-alignment with the various competitors for Nigeria's patronage would be in the Country's best interests.

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