

## **China African economic relations with a focus on Nigeria: bilateral advantages**

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### **Abstract**

*The study critically examines some landmarks in China-African economic relations with focus on Nigeria and its bilateral advantages to the both sides a reference of 2010 to 2020. The study made use of secondary sources of data as veritable tools for this analysis. The main objective of the study is for Africa to learn from this relationship with China and become economically great, transformed, independent and globally relevant as China is today. The study is anchored on the theory of realism. Findings revealed that Sino-African relations are a model of friendly cooperation that evolved through the dynamic of an ever changing international system. A further finding revealed that today, China is globally relevant and has become the second largest economy in the world. More findings revealed China's bilateral balance of trade, economic cooperation and investments in Africa. The study concludes that there are socio-political and economic implications in this relationship which Africa should not take for granted. The study recommends that Africa should emulate China's economic development strategy that will transform her from a poor state into a wealthy and economically independent nation and possibly becomes the third largest economy in the world in the nearest future.*

**Keywords:** *Bilateral Advantages, China-African, Economic Relations.*

### **Introduction**

Diplomatic relations between Nigeria and China for instance, was established on February 10, 1971. Relations between the two nations grew closer and stronger as a result of the international isolation and Western condemnation of Nigeria's military regimes from 1970s to 1998. Also, conflict situations as well as competitions over natural resources have provided ideal opportunities for foreign powers such as China to intervene in the affairs of other countries like Nigeria. The Nigeria civil war, 1967 to 1970, offered such opportunity to foreign powers to intervene in the national affairs of other countries. In this case, because of Nigeria's might vis-à-vis Biafra's military weakness in terms of armaments, the latter was compelled to rely on world powers for arms and ammunition. Secondly, the foreign powers were involved because of ideological conflict as evident in the support China gave to Biafra because the Soviet Union was backing the federal military government (Okpeh, 2019).

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Diplomatic visits at the highest level were recorded within the period under study all of which no doubt, were precursors to Sino-Nigeria relationship which dates back to more than four (4) decades. This study intends among other things to provide an analysis of this relationship with China based on the latter's success story of a phenomenal transformation from a poor state into a wealthy, prosperous and to becoming the world's second largest economy today (Okpeh, 2019).

### **Objectives of the study**

The study is predicated on the following research objectives:

- Examine China-Africa economic relations with focus on Nigeria between 2010 and 2020
- Identify internal dynamics and other events that may encourage or severe closer China-African economic relations.
- Advance reasons why in this bilateral relations China has benefitted more than Africa.

### **Methodology**

The study made use of secondary sources of data to critically analyze China-African economic relations as well as the bilateral advantages accruable to these blocs between 2010 and 2020. The choice of this method was informed by its outstanding qualities and expert submissions that enhance efforts of findings and obtaining understanding about the importance and or the benefits the two sides will derive from such bilateral relations. This methodology helps us to understand in the broadest possible form, not just the product of scientific enquiry, but the process itself because it outlines the step- by- step details of the procedures followed in carrying out the study. It also avail readers the opportunity of assessing the views of authorities cited in the literature review. Data for study were sourced from internet, newspapers, journals, published articles, unpublished thesis, and text books, quoted speeches, dictionaries, encyclopedias, magazines, seminar papers, official publications and government gazettes.

### **Theoretical framework**

The theory of realism serves as the study's analytical framework; its principal opponents are liberalism and marxism. The doctrine's founding fathers include Thucydides, Machiavelli, and Thomas Hobbes. According to political realism, society as a whole—including politics—is ruled by objective laws rooted in human nature. Therefore, improving society requires first understanding the rules that control it. Men will only oppose the execution of these laws, which are unaffected by human inclinations, at the risk of failure.

The idea of interest expressed in terms of power serves as the primary compass for realism as it navigates the terrain of international politics. Without it, understanding domestic and international politics would have been challenging. This concept aids in our understanding of politics and establishes politics as a separate field of study from economics, which is



understood in terms of interest defined as wealth, ethics, aesthetics, or religion. We were unable to differentiate between political and non-political facts or issues, nor were we able to introduce any degree of systemic order into the political domain.

Although realism does not provide the concept of power a definitive meaning, it does assume that power is an objective category that is valid across all contexts. Indeed, the concept of interest is fundamental to politics and is independent of location and time. Political realism rejects the idea that the moral principles of the universe are the same as the moral goals of a certain country. It has a unique moral and intellectual perspective on political issues and can discern between opinion and truth. (Rodricks, 2019)

The claim that nation-states, often known as sovereign actors, are the primary players on the global stage is the theoretical foundation of realism. In this sense, sovereignty means that no actor is above the nation-state to the extent that it can force it to take action in a particular situation. In certain real-world situations, such conflicts have prompted the use of the balance of power mechanism, which sees national governments join coalitions to prevent any one state from gaining undue influence over the others—as seen by the blocs during the Cold War. These realistic and well acknowledged facts serve as the justification for using this hypothesis in the investigation. (Rodricks, 2019).

### **Conceptual clarifications**

**The concept of diplomacy:** This is an art and practice of conducting negotiations between nations. It usually refers to international diplomacy, the conduct of international relations through the intercession of professional diplomats with regard to issues of peace-making, trade, war, economics, politics, culture, religion, environment and human rights that combine creatively to shape and develop the world and make it peaceful and habitable for all mankind irrespective of their colour, race and creed. (Barneth, 2018)

**International relations:** This is the branch of political science that is concerned with foreign affairs and relations among countries, including the role of states, inter-governmental organizations (IGOs), international non-governmental organizations (INGOs) non-governmental organizations (NGOs) and multinational corporations (MNCs). It is both an academic and public policy field, and can be either positive or negative or normative as it both seeks to analyze as well as formulate the foreign policy of a particular state. (Rowlands, 2018)

**Bilateral Trade:** This is the type of trade that takes place exclusively between two states particularly barter trade based on bilateral deal between governments and without using hard currency for payment. Bilateral trade agreement often aims to keep trade deficits at minimum by keeping a clearing account where deficit would accumulate. (Rowland, 201)

**International Trade:** This is the transfer of money, products, and services across international boundaries. Such trade accounts for a sizeable portion of gross domestic product (GDP) in the majority of nations. Expanding global trade is essential to the ongoing process of globalisation. Countries' access to domestically produced goods and services would be restricted in the absence of international commerce. Along with limiting the incomes of many nations, there will also be less global commerce competitiveness, specialisation, and the



comparative advantage some countries have over particular goods and services. (Kotilainen, 2019).

## **Review of related literature**

### Historical review of Sino- African relations

An inter-state relation is a major issue in world politics. From the 1970s when enlightenment thinkers posited a trend towards the social unification of the world up till 2000, when global political and economic institutions have become centrally visible in the determination of outcomes in inter-state political and economic relations, the idea of inter-state relations has remained constant. The African continent has maintained its angle of visibility and importance in the world affairs over the centuries, but not without some compelling dynamics (Naidei and Davis, 2017).

The attraction of Africa to the great economic powers of the world that have continued to vigorously pursue extensive relations with the continent lies in the fact that Africa has enormous potentials that are easily exploited and translated to economic fortunes for the benefit of economics giants of the world. Sino-African relations largely typify Africa's strategic position as a source of vital mineral resources and potentials for the economic enhancement of both the developed and fast developing economies of the world. In very lucid terms, Taylor (2018) argued that China views Africa as a ripe zone for investment and enormous trade opportunities. China-African relations got off to a slow start after the first Asia-Africa conference, the Bandung Conference in 1955 as Beijing attempted to assert its leadership over the Third World and the non-aligned movement. Egypt became the first African country to establish diplomatic relations with China in May 1956. In the early 1960s, over ten (10) African countries including Morocco, Algeria and Sudan, had establish diplomatic relations with China. By the end of 1970, 44 out of the 50 independent African countries had entered into diplomatic relations with China. February 10<sup>th</sup> 1971. Nigeria established diplomatic relations with China (Wenping, 2019).

China supported independent movements in Africa providing not only moral and theoretical support, but also weapons and military training. For two decades from the mid-1950 to mid-1970, China gave about \$2.5 billion to 36 African countries in aid. China also sent ten thousand engineers, doctors and technicians to provide assistance for African development and undertook various infrastructural projects, one of which was 1860-kilometer long Tanzanian-Zambia railway. Through those aid programs, China gained a good reputation among Africans. In retrospect, China's contemporary engagement with Africa has its roots in policies pursued during this early period. The ultimate achievement of China's-Africa policy during this period was that the People's Republic of China (PRC) replaces the Taiwan-based Republic of China as a member of the United Nations in 1971 with the help of African countries. (Pere and Shelton, 2018)

According to Bello (2019) the new millennium has seen the China-Africa relationship explode in all aspects. China-African trade had grown at a rapid pace from \$10.5 billion in 2000 to \$29.4 billion in 2004, nearly \$40 increase in 2005 and over \$50 increase in 2006. In 2008,



the volume reached a record of \$106.8 billion with an over age growth rate of 30% in eight straight years. By 2007, China had become the second largest trade partner second only to United States, and the largest individual country exporter to Sub-Saharan Africa with a market share of 9.8% and a volume of \$26.5 billion between 2011-2018, Chinese investment, aid, infrastructure, engineers, doctors, and technicians have permeated almost all African countries. Loans and direct investment in Africa increased sharply and exceeded \$986.7 billion (Thousand, 2018).

With increasing economic ties, China boosted its development assistance to Africa as well. In June, 2006, Chinese Prime Minister Wen Jiabao announced that China's assistance to Africa between 1975 and 2006 had totaled RMB 44.4 billion (\$5.7 billion). According to the then Chinese Minister of Foreign Affairs Li Zhaoxing, between 2000 and 2003, the aid to Africa represented 44% of China's total foreign aid doubling that of 2009, 2010 to 2015, and promised to bring the budget for African aid to around \$3.6 billion a year. China equally intensified its political ties with African countries during the same period (Brookes and Shin, 2017)

From 2002 to 2006, ninety African parties sent their delegations to China and the communist party of China sent 78 delegations to Africa. China and Africa also increased exchanges between their high level leaders, congresses and parliaments and this continues up till today. The forum on China-Africa cooperation (FOCAC) was established to facilitate "South-South" cooperation in 2000. China's first white paper on its African Policy in 2006 publicly announced Africa's strategic importance and stressed the interest to further such cooperation in the future (Meidan, 2020).

### **Emerging issues from China's increasing global relevance:**

Tawen (2019) asserts that the resurgence of China following about 500 years of collapse would undoubtedly rank among the 21st century's most significant moments. However, this development has raised a number of important questions that are currently being debated by international political economics specialists. The first of these concerns is the increasing likelihood that China will solidify her position as the dominant force in the area. Though not actively engaged in the politics of the Cold War between the East and the West, it was clear in the early 1990s—especially with the USSR's withdrawal—that China was quickly emerging as a key rival for both regional and global dominance. (Tawen, 2019) Therefore, under Deng Xiaoping's dynamic leadership, China sustained both internal political stability and accelerated economic growth and development while leveraging radical economic and social reforms motivated by the combined ideologies of limited capitalism and moderate communism to forge stronger economic ties with the industrialised west. China is the most populated country in the world, but it's also the largest and most strategically placed in the Asia-Pacific area. In addition to being the largest military in the world and having strategic-range nuclear weapons, China also holds a veto power in the UN Security Council due to its permanent membership in the supranational body. (Abah, 2018)

The concern voiced in some quarters regarding the possibility of China filling the void left by the USSR's exit and the ensuing decline in importance of communist ideology is another



significant issue arising from the reality of China stepping on the corridor of global power. Additionally, the Asia-Pacific region's trend of economic integration has greatly benefited from China's growing international prominence. (Ikokwu, 2019).

### **China-Nigeria trade relations:**

Nigeria is no doubt the most populous nation in Africa. Nigeria's relation with China has grown in the last two decades from the limited and intermittent contact that marked the immediate post-independent era to an increasingly complex and expansive engagement. Right from 1980 both countries became closer in many respects. In 1982 precisely, the two countries signed an agreement on cultural and educational cooperation for their mutual benefits and China donated several works of art to Nigeria through their embassy in Lagos. This made Nigeria to begin to forget the role China played during the Biafran war. (World Bank, 2019)

It is important to note here that China was shielded from international competition through an edifice of protectionism or closed economic policy. The country came out of this situation in the 1980s with tremendous record of economic growth and expansion that were impressive and these have made her to become one of the fastest growing economies in the world today. China's economic potential was evident in her trade performance from 1980 to 2007 and from 1980 to 2006, for instance, China share in global export and import rose from 2.4% to 4.9% and 8.6% respectively. From 1993 to 2012, the volume of export of goods rose to an annual rate of 22.7% (Izundu, 2018)

According to Marfa (2018) a major impact of the new wave of Sino-Nigeria relations was the formation of Nigeria-China friendship Association (NICFA) in April 1994 with the objective of promoting friendship, socio-economic, cultural, educational, trade, industrial, technology, scientific and sporting collaborations between the two countries. This is evident when in 1994, a symposium of Nigeria-China foreign relation was held. The forum attracted important dignitaries in industry and commerce, diplomatic corps and high government officials from both sides. The association also succeeded in sponsoring the performance of the first ever Nigeria cultural troupe to China in 1995 with the assistance of Nigeria Ministry of Information and Culture. (Marfa, 2018)

Furthermore, NICFA and Chinese People's Association for Friendship with Foreign Countries (CPAFFC) sent economic delegation to Nigeria that visited Lagos, Enugu, Abuja and Akwa Ibom in October, 1997. NICFA hosted the first Nigeria-China art and craft exhibition. The association invited a team of Chinese investors, culture promoters and entrepreneurs. NICFA also made effort to promote health care delivery system through collaboration with CPAFFC especially in trade and medical system. The result was the three-man Ariguna Health Care Delegation to China in February 1999 to explore the possibility of manufacturing medical drugs in Kano, Nigeria. (Marfa, 2018)

Earlier on in 1993, the Babangida regime inaugurated an eleven-man committee that restructured the establishment of the Nigerian railway Plc. Nigerian Rail Track Authority (NRTA) and Nigerian Rail Integrated Board (NRIB). Chinese business organizations won several infrastructural contracts during Abacha regime. The Chinese Civil Engineering construction corporation won the contract to reposition the corporation and put its



locomotive wagons and coaches back on track, the strengthening of over 300 curves of the 3,500 km, rail network as well as training of no fewer than 600 rail staff at a cost of \$65 billion (Ministry of Finance, Federal Republic of Nigeria, 2015)

### **Nigeria–China trade and economic cooperation**

According to Rothberg (2018) Nigeria and China have signed a number of trade, economic, scientific, and technological and investment cooperation. The Chinese government runs capacity building programs on annual basis to improve the capacity and competence of Nigerian government officials. Other areas of Chinese investments include: education, water and sanitation as well as infrastructure. The basic principles guiding Nigeria-China relationship in the 21 century are:

- Sincere friendship and mutual trust
- Mutual benefit and common development
- Enhanced consultation and mutual support and
- Commitment to a long term perspective and a future oriented relationship.

The two sides shared the view that Nigeria–China bilateral cooperation in trade and other economic activities with it huge potential remains a powerful driving force behind their relations and to create enabling environment that will facilitate trade and investment between them. This also include mutual cooperation in oil and natural gas ventures as well as energy development projects. (Rothberg, 2018)

On international issues, the two countries agreed to share extensive interest in maintaining world peace, facilitate the establishment of a just and equitable new international politics and economic order, strengthening South-South cooperation and promoting the cause of universal prosperity as well as safeguarding national independence, sovereignty and territorial integrity. (Rothberg, 2018)

Various technical assistance in education, military, health and technology were received from China. For example, a \$46 billion Yuan was given to Nigeria for the purchase of anti-malaria medicines and for the training of Nigeria health personnel on malaria control and prevention. In recent years, Nigeria has become one of the Chinese most important telecom market and the two largest players are the state-owned zhong xing telecom equipment company (ZTE) and Huawei established in 1985 but entered into Nigerian market in 1999. (Egbula and Zheng, 2016)

### **Composition and significance of trade**

Trade between Nigeria and China started in the early 1980s and while China import growth grew at sustainable higher rate since 1998, in contrast, Nigerian growth has rather been unstable and has experienced five times import contractions in the last decade while China only experienced twice contractions within the same period of time. (Ministry of Commerce and Industry 2016)



Chemical products which ranked second only to machinery and transport equipment in 2013, was replaced by manufactured products in 2014. Generally speaking, Chinese economy grew faster than her Nigerian counterpart; she equally has higher savings than Nigeria. China also has higher gross investment rate as depicted by the gross investment, GDP ratio suggesting that China's savings are more appropriately channeled into investment than that of Nigeria. (Min of Command Industry)

Nigeria's import from China grew consistently given that most of what she imported is finished goods which come to compete with Nigeria's domestic manufacturing, and the fact that imports constitute leakage to economy; Nigeria's economy is negatively affected as imports have negative relationship with national income. Trade between Nigeria and China comes with opportunities and challenges. First, it gives Nigeria an opportunity to learn from China's growth development and poverty-reduction strategy. Second, it provides Nigeria with alternative markets for sourcing inputs for industrial sector and finished products for consumption purposes. The challenge however that, Nigeria is a country that has high propensity towards imitative technology rather than innovative technology and so will she be ready to humbly itself and patiently follow the Chinese hard way to success and glory?

### **Ministry of Commerce and Industry overview of Nigeria- China investment relations**

In the import and export trade structure, Nigeria's total imports increased from US \$11.8 billion in 2013 to US\$15.9 billion in 2016 and from US\$ 15.9 in 2016 to US \$22.7 in 2018. In 2015, import of machinery and transport equipment ranked first followed by manufactured goods, miscellaneous manufactures, chemical and food and live animals. In 2016, chemical product imports ranked second to machinery and transport equipment while in 2017, manufactured products replaced chemical in second place. Machinery and transport equipment imports thus ranked highest in all the reference years. (Bamidele and Chilaka , 2018)

Nigeria imported more of miscellaneous manufactures from China relative to the rest of world. This rose from 14.9% in 2013 to 49.7% in 2017. Chemical share of Nigeria's imports also rose consecutively in food and live animals as well as beverages and tobacco, crude materials etc. countries exporting these products to Nigeria however lost their market share to China as Nigeria imports almost all these goods from China (Bamidele and Chiliaka, 2018).

Nigeria's export to China includes food, animals, crude materials, oils, chemical products. Minerals cocoa, cotton and agro allied manufactured goods. In contrast to the nature of Nigeria's top 10 export commodities, the top 10 export commodities from China to Nigeria are all manufactured goods. These include electrical machinery equipment parts, sound records, vehicles, as well as nuclear reactors, boilers, machinery and mechanical appliances, articles of iron and steel and plastics, organic chemical and articles of apparel and clothing accessories, ceramic products as well as inorganic chemicals and radioactive elements are also parts of the list even though not as many as manufactured goods (Anshan, 2017).





Nigeria's export GDP ratio grew over the years reinforcing the country's trade orientation. Again, the export GDP ratio in many cases almost doubles that of China. However, China's export maintained a generally growing stable 2-digits rate particularly since 2011.

This is in contrast with Nigeria's export growth which has been unstable and in negative growth rate in many cases which is in contrast to the situation in China. Nigeria's sole reliance on crude oil, the international price of which fluctuates and unstable accounted for this negative growth (Anshan 2017)

**Table 1** Global Import Performance: Nigeria and China

Year	Import GDP % Nigeria	Import GDP % China	Import Growth % Nigeria	China Import Growth
2013	32.2	20.9	-0.8	24.5
2014	32.5	20.5	8.9	10.8
2015	41.6	22.6	20.6	27.8
2016	41.5	27.4	10.2	24.8
2017	37.4	31.4	2.0	22.5
2018	35.2	31.9	21.3	11.4

**Source:** World Bank 2019 World Development Indicators

**Table 2** Global/Export Performance for Nigeria and China

Year	Export GDP Nigeria	Export GDP % China	Import Growth % Nigeria	Import Growth China
2013	54.3	23.3	16.4	30.6
2014	43.3	22.6	-3.9	9.6
2015	40.9	25.1	-10.6	29.4
2016	49.7	29.5	31.6	26.8
2017	54.6	33.9	3.1	28.4
2018	53.1	37.4	-1.8	24.2

**Source:** World Bank 2019. World Development Indicators

### **Bilateral balance of trade**

Nigeria's trade with the People's Republic of China (PRC) has raised several policy concerns. The trade is highly unbalanced and in favour of the Chinese with Nigeria deficit in billions in 2012. This is associated with the concomitant loss of jobs in industries competing with rapidly rising imports from China. (Ministry of Commerce and Industry, 2015)

Chinese investment in Nigeria hits US\$ 16 billion in 2013. According to the Chinese customs, the bilateral trade volume between the two countries in 2013 reached US\$11.16 billion, up by 10.6% among which China's export to Nigeria was US\$ 16.11 billion, up by 23.9% while



Chinese import from Nigeria was US\$ 390 million down by 59.3% . China had a surplus of US\$4.57 billion. According to the Ministry of Commerce and Industry (2017). The turnover of completed engineering contracts by Chinese companies in Nigeria reached US\$ 6 .68 billion in 2012 and the volume of completed labour service cooperation contracts was US\$28 billion. Direct investment volume of Chinese financial projects in Nigeria reached US\$ 257 million same year. According to the Ministry of Commerce and Industry (2015), Nigeria invested in 15 projects in China in 2012 with a contracted volume of US\$ 220 billion and an actual utilization of US\$ 230 million (Ministry of Commerce and Industry, 2017)

Customs procedures constituted major obstacles to trade with China. Importers face inordinately long clearance procedures and high berthing and unloading costs. The Nigerian government currently practices a double inspection system requiring both pre-shipping inspection and 100% on arrival inspection as well. Cargoes are kept at the ports waiting for clearance for weeks while some even delayed for months. Nigerian government announced in July, 2014 that it would remove the required pre-shipping inspection and only adopts destination inspection system. For many reasons however, the removal has not yet been implemented. However, China hoped that obligations under the agreement on pre-shipping inspection of the world trade organization (WTO) should be fulfilled (Ministry of Commerce and Industry, 2017).

Nigeria started implementing Standard Organization Conformity Assessment Program (SONCAP) since September, 2005, applying mandatory certification to certain import products such as electrical and electronic products, auto tires, auto glass, auto parts, auto batteries, gas apparatus, toys, galvanized steel products, generator etc. manufacturers or exporters must provide inspection report issued by qualified labs in accordance with standard organization of Nigeria requirements and the certificate values only 3 years. Nigerian government has named INTRTEK as the only organization to conduct the SONCAP certification (Ministry of Foreign Affairs, 2017)

### **Oil and gas investment**

One major material Chinese need is crude oil which has made Africa one of the best grounds for competition over resources among the world powers in the so-call global politics and diplomacy. Nigeria is one of world's largest producer of crude oil. The country currently produces an average of 2.5 (Plus and minus) million barrels of crude oil per day. This makes her the 10<sup>th</sup> largest producer of crude oil in the world. The need for oil to service her growing economy makes China the second largest importer of oil from Nigeria. China as a country has taken advantage of the shrinkage in European and American influence in Nigeria to begin to build her economic and political influences. This is evident in the trade between China and Nigeria making her one of the 10 top trade partners in the world. (Emodi and Osiki, 2019)

July 2005 witnessed Chinese entering into US\$800 million crude oil deal with Nigeria and Beijing was reconsidering 47 billion dollar worth of investment in Nigeria. This consideration perhaps gave birth to Chinese National Offshore Oil Corporation (CNOOC) a Chinese state owned company that agree on January, 2006 to pay \$2.3 billion for a stake in Nigerian oil and natural gas field. The deal was regarded as the Chinese largest overseas acquisition. China's



readiness to invest in Nigeria is to ensure her energy security. Trade rights secured by China were aimed at rehabilitating and refining power and other infrastructures in Nigeria. The first state of the ambitious 20-years rail modernization plan was reached. There was also a joint venture by the Chinese oil and natural gas corporation and an Indian multinational company. Furthermore, \$200 billion dollar project by a Chinese firm in preferential buyer's credit for Nigeria's communication satellite was signed (Emodie and Osiki 2019). It should be noted that the Nigeria-China deal in oil is such that China, the world's most populous nation, needs more imported oil to fuel her rapidly growing economy. On the other hand, Nigeria, African most populous economy, but also one of the poorest countries in the world, needs infrastructure to speed up development. (Egbula and Zheng, 2019)

### **Chinese investment and its implications for Nigeria:**

According to Utomi (2016) there is a mixed feeling and reactions from different people regarding Chinese investment in Nigeria. While some argued that there is no benefit Nigeria will derive from China but that only China will benefit from Nigeria, others are of the opinions that the two countries will benefit from each other.

Addressing a joint session of the Nigeria's national Assembly, Mr. Hu Jintao has this to say "we will work together to forge a new type of Nigeria-China strategic partnership. That China will firmly share the desire of Nigeria to maintain dependent and sovereignty and pursue models of development that suit her particular and national conditions". Jintao maintained that China is determined to "expand win-win economic cooperation that will feature capacity building, human resources and capacity exchanges". Furthermore, Nigeria will benefit from this relationship since China grants loans without conditionality attached to them like those of Western institutions such as the IMF and the World Bank (Utomi, 2016).

According to Springs and Jiao (2017) this trade relation will engender mega bilateral relationship that is not inexistence between non-trading partners. The relationship will encourage growth of the socio-cultural tranquility, create a favorable atmosphere for further trading and engender greater bond between them and other African nations (Springs and Jiao 2017).

The public investment and economic activities of China in Nigeria have gained prominence in recent times. In the agricultural sector for instance, Chinese government provided training to Nigerian nationals in the field of rice production, agricultural machinery, small hydropower, food and agro-processing and tropical disease control (The Weekly China Briefing, October, 2013).

Despite all these seemingly good gestures, it is argued by some scholars that China is on a mission to plunder Nigeria resources as the Western nations did during the colonial period. According to Abah (2018) the Chinese are taking over from the imperialist West that exploited our resources and left us dry. It is a later day invasion of our economic landscape and it is merely an expansionist tendency. Some human rights activists too were worried that China's policies could prevent Nigeria from democratizing. They maintained that, increased trading with China which often floods Nigeria's market with cheap finished goods is bankrupting local manufactures. Furthermore there are several complaints of unethical industrial practices by



Chinese investors whose impact is not in tandem with the welfare of Nigeria as a host country. This rang from insincerity in their accounting procedures in order to invade tax; they are also draining Nigeria's economy especially from the oil sector, promoting undemocratic tendencies in Nigeria, and refusal to transfer skill or technology (Daily Independent, 2016)

According to the Nigerian Labour Congress (2019) foreign investment is supposed to lead to job creation, Chinese companies have employed 30,000 local workers but this pales in comparison to the 350,000 manufacturing job lost because of Chinese imports as well as the collapse of domestic industry. Labour Union also complaints about working conditions in Chinese companies where Nigerians are poorly paid compared to their Chinese counterparts and where Nigeria worker, no matter how educated and qualified never raised to management level. Chinese companies have also been accused of flaunting labour laws and discouraging unionism. These companies are also accused by Nigeria businessmen of exploiting tariff concessions to dump cheap goods in Nigerian market and stifle competition.

Another implication of Chinese investment in Nigeria is seen in areas of language barriers and cultural differences weighing heavily against the transfer of technical skills and education from China to Nigeria citizens (Daily Independent, 2016)

The main conclusions from these bilateral economic exchanges between the two nations are that there are many contradictions in China's interactions with Nigeria. First, the invasion of Chinese goods has caused Nigerian producers to be marginalised and driven out of the market; nevertheless, at the same time, these same producers have benefited from the lower prices of Chinese goods. The lack of genuine leaders who are prepared to take a stand and present a long-term development plan that will sufficiently meet the needs of the vast majority of Nigerians continues to be a major obstacle. Secondly, Nigerian leaders dictated to the Chinese the kind of development project they would like to undertake. In addition, Nigeria's pervasive corruption has shown to be a significant cultural barrier that must be removed if Nigeria is to effectively use its demands against China. (Djeri, 2017).

The criticism of Chinese companies for being "closed" because they rarely hire local specialists is another obvious connotation. Some comments claim that they even mistreat and disregard native experts. A Joint Venture (JV) and Wholly Foreign Owned (WFO) report claims that working conditions for Nigerians in Chinese companies do not comply with international labour standards or those of Nigeria. The report further claimed that Nigerian technicians are abandoned while most Chinese enterprises bring industrial products and entire equipment into the country, making technology transfer from Chinese foreign direct investment (FDI) inconsequential. (Djeri, 2017).

## **Conclusion**

The main objective of the study is to critically articulate the landmarks in China-African economic relations with on Nigeria and the bilateral advantages to the both sides.. The study also examines the historical review of Sino- Africa relations known to be a model of friendly cooperative relations which evolved through the dynamics of an ever changing international system. It considers emerging issues from China's increasing global relevance relating to how the development or renaissance of China has created a number of critical issues over which



analysts of international system are contending. Nigeria-China economic relation, technical assistance and scientific cooperation, investment relations, important export trade structures, bilateral balance of trade, oil and gas investment have some implications for African continent Nigeria inclusive.

The recent resurgence in the relationship has been attributed to improved, deliberate and mutual efforts at the highest political levels and it is discovered that investment from China are mainly into manufacturing, oil and gas, telecommunication, building and construction. The study revealed that while possibilities certainly exist for Africa to derive high value from China's growing influence, Africans have not fully capitalized on the potential benefits through people oriented leadership to maximize gains. Mostly importantly, Africa needs to develop a comprehensive strategy to more effectively balance the engagement of China and the West to leverage its own strength and develop a plan for sustainable development that resonates with its citizens by meeting their felt needs, yearnings and aspirations which is the essence of such relationships.

### **Recommendations**

Based on the findings of the study, the discussions involved, and the conclusion thereafter drawn, the following recommendations are hereby proposed:

1. Africa needs to realize that China's engagement gives it a unique opportunity to expand its development and articulate a comprehensive strategy that address its long-term needs
2. African governments should avoid short-term fixes and front-loaded deals with the Chinese and move beyond arrangements that focus solely on the petroleum sector.
3. African leaders should ascertain how China's engagement in Africa fits into the broader perspective of international engagement by balancing Western assistance with that of the Chinese.
4. Africa should learn from the success and failure of other countries relations with China and their policies towards development.
5. High premium should be placed on overcoming language and cultural barriers to facilitate the transfer of business know-how and technology to the African states.

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