

China's Infrastructural Diplomacy Influencing Economic Development in Nigeria

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Abstract: The role of infrastructure is for both industrial and technological progression in Nigeria cannot be over-emphasized. As a result of political strife and disregard, infrastructure for example, highway, railroads, hydroelectric power and structures are dilapidated. The goal for Nigeria to achieve its development objectives, the facilities must recapture full usefulness to satisfy the standard for yielding most extreme efficiency and productivity. Nigeria is characterized by low level of infrastructural development which directly impacts negatively on the economic growth. In response to this deficiency, Nigerian governments have sought to engage various stakeholders in the development of infrastructure. China is not left out and its role in Nigeria has currently sparked attention both locally and internationally. It is against this backdrop that the study critically examined the motives behind China's infrastructural diplomacy in Nigeria. The study employed the Economic Nationalism theoretical framework and also made use of the secondary source of data in understanding China's mode of engagement in Nigeria. The study discovered that economic considerations in terms of search for raw materials, natural resources and the need for a viable market influences China's infrastructural diplomacy in Nigeria. Another motive is the political considerations which are visible in the One Chinese policy and the need to form alliances to have a balance of power at the international arena. As well as the imperative for South-South solidarity.

Key words: Diplomacy, Infrastructure, Development, Economic Relations, Foreign policy.

I. INTRODUCTION

Infrastructural diplomacy has transformed and gained much attention over the years. The rise of China has great spur for economic growth in Nigeria. The implications for infrastructural diplomacy which delivers a vital scene for evaluation the role of unacknowledged coercive diplomacy within the context of China's peaceful rise dialogue. In contrast to Western countries like France, Italy and Germany, whereby sometimes they interfere into internal politics of a country; China has openly denied any such policies.

Overview of China and Africa Relationship

There were traces of interactions between Africa and China more than 2,000 years ago and cultural exchanges were present during the 8th century A.D. However, China started its formal trade with African countries in the late 1950s and the major partners were those countries in North Africa, especially Egypt. This historical friendly exchange was

somewhat halted due to conflicting interests of African countries and other competing forces.

In the late 1940s and early 1950s, strong relations re-emerged between countries in Africa and China. This came primarily due to collective criticism of colonial rule by Africans and because of agitations for independence and their distrust of the colonialists. They connected with the Asian struggles because of their successes in gaining independence from colonial rule a decade earlier. The connection, which was formed through solidarity and negative views of colonial rule, was a fuel for African nationalist to seek support and ultimately a relationship in the Far East. Apart from a shared sense of independence, most countries in Africa like Nigeria and Asian countries like China were on the same economic and political playing fields. These shared desires by both continents further intensified relations with the emergence of the 1955 Asian-African conference hosted in Bandung, Indonesia. This conference gave birth to the Non-Alignment Movement (NAM). Twenty-nine Asian and African countries met to confront colonialism and the divisive nature of the Cold War. China's dominating role in the Conference was seen as a courageous attempt to undermine U.S dominance in Asia (Umejei. 2013).

Moreover, China has invested heavily in Africa and China is Africa's largest trading partner. A good example can be seen in the case of Nigeria, where levels of Chinese Foreign Direct Investments (FDI) are the second highest in Africa, surpassed only by South Africa. China trade with Africa has grown from US\$10.6 billion in 2000 to US\$166 billion in 2011. In 2010, Nigeria was China's fourth biggest African trading partner and second largest Chinese export destination in Africa. For example, Nigeria exported cocoa beans, rubber, cashew nuts, hide and skin, and some other agricultural products and oil (Egbula & Zheng, 2011).

Worthy to mention, bilateral trade between China and Nigeria has experienced exponential growth, reaching \$17.7 billion by 2010. China tends to export large amounts of low-cost manufactures meeting with Nigeria local demands that reflected declining economy. This also resulted in serious trade imbalances between both sides. Trade imbalance with China has been a structural problem common to most African countries. To compensate this imbalance, China has to utilize her economic assistance programs in Nigeria. (Udala,2010).

The bilateral trade volume between China and Nigeria in 2006 reached US\$3.13 billion, up by 10.6, from 2000, among which China's export to Nigeria was US\$ 2.85 billion, up by 23.9, while China's import from Nigeria was US\$280 million, down by 47.3. China had a surplus of US\$2.57 billion. China mainly exported motorcycles, machinery equipment, auto parts, rubber tires, chemical products, textiles and garments, footwear, cement. China's increasing presence in Nigeria, and elsewhere in Africa, has spurred much speculation about the nature of the emerging partnership model (Xianfa, 2014).

A national debate across sectors on this partnership will be a healthy exercise and may drive more rigorous analysis of what best serves African countries' quest for human material advance; friendly, mutually beneficial relations in trade and politics. The stewardship of the shared African policymakers in general and Nigerian particularly, including national and local officials, are not setting policies that will have the strongest possible impact on a long-term economic growth for the widest array of the citizens. Notwithstanding, many of the current policies being pursued are likely to benefit Nigeria and significantly contribute to economic. But in some areas, the strategies seem to neglect essential long-term needs, important segments of the population, and the targeting of essential sectors leading to a diversified economy. For instance, even though evidence suggests that much profit can come to Nigeria by stimulating agriculture through some of the same policies that helped benefit an industrializing China, robust agricultural development program remains to be seen (Zafar, 2007).

Nigeria is rich in natural resources and has enough people of working-age to drive the economy. However, despite swift progress in urbanization, poor infrastructure is one of the key obstacles to its development. To accelerate domestic socio-economic development, there is an insatiable demand for more and better infrastructure, with most of the funding coming from outside. With the intensification of China's overseas investment strategy in recent years, the overall scale of China's direct investment in Nigeria has risen considerably. Chinese investment encompasses railways, highways, ports, oil and gas fields and power plants. It is in the light of the foregoing that the study seeks to analyse China's infrastructural diplomacy in Nigeria.

With the inauguration of the former President Chief Olusegun Obasanjo in 1999, Nigeria-China relations began to deepen. The first Ministerial conference of the forum on China-Africa cooperation was held in Beijing, China in October, 2000. Obasanjo did not attend but senior Nigerian representatives did and in the same year the China Civil Engineering Construction Corporation (CCECC) was awarded a tender to build 5000 housing units for athletes participating in the eight All African Games in Abuja, which were built 2. In 2001, the two countries signed an agreement on the establishment of a Nigeria Trade Office in China and a China Investment Development and Trade Promotion centre in Nigeria. (Gregory,2008)

Bilateral relations between China and Nigeria intensified further during President Obasanjo's second term in office, from 2003 to 2007. President Hu Jintao and Prime Minister Wen Jiabo of China both visited Nigeria during this period and Obasanjo visited Beijing twice⁴. During President Hu's visitation to Nigeria, 26th-27th, April, 2006, he agreed with President Obasanjo to work on a strategic plan for the future growth of bilateral relations to push forward the strategic partnership between the two countries (Bukarambe 2005).

To further enhance the bilateral relations between the two countries, they both agreed to establish an intergovernmental Nigeria-China investment forum which was later founded in 2006. Obasanjo used his influence as his own minister of Petroleum to secure major oil blocs for Chinese firms. Chinese Multinational Companies (MNCs) also won new significant contracts in Nigeria during this period particularly in construction, telecommunication, power and transport, while the volume of Chinese manufactured goods exported to Nigeria rose dramatically.

By the end of 2008, according to Chinese sources, total Chinese investment in Nigeria stood at six billion dollars (Wong 2008). Despite the benefit which the two countries derived from this bilateral relationship, analysts have argued that the relationship between Nigeria and China was complex and was never going to be straight forward. Nigerian officials have noted that there is an unbalanced system in Nigeria-China relations in which the Chinese world become the dominant power while Nigeria would lack the capacity to exert her influence in political dealings (Gregory 2009).

Similar short comings existed in the area of technology transfer and job creation for Nigerian citizen-public officials outside the foreign affairs sectors complained that although Chinese business men were more attractive partners because the development gap is less daunting than with the west actual technological transfer and job creation was low because the Chinese imported their own labour to Nigeria (Utomi, 2008).

In 2005, during President Olusegun Obasanjo's reign, the policy approach for Nigeria and China was known as "Oil-for-infrastructure". This comprised of the exchange of Nigeria's oil in return for infrastructure improvement contracts by the Chinese. China and Nigeria signed five economic agreements for the purpose of seeking strategic partnership for the long-term. The areas of agreements included investment, technical cooperation, telecommunications and others. According to President Obasanjo, "the two sides will improve cooperation in gas exploration, infrastructure construction and manufacturing industry to achieve common development (Daniel & Maiwada, 2015) Hence, this two-way investment will expand economic and trade cooperation. Correspondingly, President Obasanjo stated that hopefully, both countries would work towards the improvement of a mutually beneficial cooperation in the areas of trade, investment, electric hydropower, railway and telecommunication construction, agriculture, and

manufacturing. Therefore, there is a possibility that the global south-south cooperation of both countries will promote the creation of a rational new international political and economic order. President Obasanjo of Nigeria and Hu of China concluded on taking appropriate measures to boost their two-way investments and improve a mutually beneficial cooperation through the expansion of economic and trade cooperation in energy/gas exploration, infrastructure construction and manufacturing industry. President Obasanjo acknowledged that China's support for the African continent in their struggle against colonialism and racial segregation and in their quest to attain economic and social development will never go unrecognized. He went further and expressed his request that China will continuously support Nigeria, especially in regards to the fight against terrorism and instability.

In 2007, Umar Musa Yar'Adua became the President of Nigeria. He cancelled most of the oil-for-infrastructure policy projects previously signed by Obasanjo due to a lack of proper accountability and transparency. However, the then Minister of State for Petroleum (Odein Ajumogobia), believed that the policy on "Oil for infrastructure" still existed despite the down play of the Nigeria-China relationship. This goes to say that not a lot was accomplished during this regime in terms of the Nigeria-China economic relations. In 2010, after the demise of President, Vice President Goodluck Jonathan took over as the interim President of Nigeria at the time. During this period there was a recovery in the diplomatic relationship as China declared a new plan for strategic partnership with Nigeria. This partnership was built on the grounds of enhancing mutual trust in order to promote strategic cooperation, culture exchange (due to the large population of China in Nigeria and vice versa), to promote political equality, between the South-South and South-North relations and a win-win economic cooperation in the area of infrastructure, oil, telecommunications and agriculture sector. During the election of President Jonathan, China exported the ballot papers to Nigeria. Additionally, according to news reports, China sent the Minister of Railways, Sheng Guangzu to attend the inauguration ceremony in May. This rekindled the relationship between both countries as they committed to improve economic development and strengthen bilateral relations under this regime. In 2013, China made a decision to address the problem of power shortage in Nigeria by making a large investment through the building of a hydro-dam and made provision of technical aid to support the agricultural sector. (China.org, 2016) In 2014, President Goodluck Jonathan commended the phenomenal expansion of bilateral trade between both countries in recent years. President Jonathan maintained the relationship with China just like his predecessor. In 2015, President Jonathan's successor, President Buhari acknowledged the Chinese for their long-term support and investments to Nigeria because it had protected their national security and the developing economy. In Buhari's address during the 2015 Nigerian election, he put

forth his agenda and described the challenges Nigeria was currently experiencing.

Terrorism was a priority on the agenda followed by poor physical infrastructure, quality of education and unemployment. Given a long-standing win-win relationship, China is already providing assistance to Nigeria. Li Keqiang, the Chinese Premier made a pledge to Nigeria to assist in finding the 276 Chibok school girls that were abducted by the Boko Haram through the use of Chinese intelligence services (China daily, 2014) (Boko Haram is a terrorist group that started in the Northern region of Nigeria with the ideology of rejection towards western education). China also trained the Nigerian military force in anti-insurgency operations. With Chinese workers on infrastructure and energy-related projects being kidnapped in Nigeria countless times, China is working closely with Nigeria to strengthen its Chinese-Nigeria strategic partnership, reflecting the importance of their economic relations. Looking at the physical infrastructure transformation, China won its biggest foreign contract on the amount of \$12 billion with the Nigerian government to build another train system. This train system is said to run 871 miles from Lagos (West) to Calabar (East) (China-Nigeria Commentary, 2013).

China's relationship with Nigeria.

The relationship between the Nigeria and China at the early period was purely based on political issue than economic. Historically, the relationship began during the Nigerian civil war when China reportedly gave public backing to the bid by the Igbo to secede from the Federal Republic of Nigeria. Although, the support given to seceding Biafra by China in terms of light arms made no significant difference to the outcome of the civil war, and hence it did sour the relations between the two nations. Because the Soviet Union was one of Nigeria's leading supporters, supplying arms on a generous scale, China declared its support for Biafra. In its first major statement on the war in September 1968, the New China Press Agency stated the People's Republic of China fully supported the justified struggle for liberation of the people of Biafra against the Nigerian government supported by "Anglo-American imperialism and Soviet revisionism" China supported arms to Biafra via Tanzania, supplying arms worth some \$2 million dollars in 1968-1969 (Stremlau, 1977)

However, a number of factors could explain the beginning of Sino-Nigerian diplomatic relations. For instance, in 1971 Nigeria joined other developing countries in Africa, Asia and Latin America to support Beijing's 21 years bid to win world's recognition as one government of China. Apparently, because of this support, against American opposition, People's Republic of China officially on 25 November 1971 replaced the Republic of China (Taiwan) in the United Nations and on the Organization's Security Council. Therefore, Sino-Nigerian relations at the beginning were politically based. Therefore, the beginning of China's

relationship with Africa countries was in direct support for various national liberation movements (Udala.2010).

II. CONCEPTUAL CLARIFICATION

Infrastructure: According to the oxford dictionary, Infrastructure is defined as a network of roads, railways, ports, airports, water ways and telecommunications. This has been taken to include the basic physical and organizational structures and facilities for example, buildings, roads, and power supplies, which are necessary or needed for the functioning of a country or society properly.

Diplomacy: this is the art and practice of conducting international relations by negotiating alliances, treaties, agreements etc. between countries. Diplomacy is also the means by which States throughout the world conduct their affairs in ways to ensure peaceful relations. The main task of individual diplomatic services to safeguard the interests of their respective countries abroad. This concerns as much the promotion of political, economic or cultural relations as it does international commitment to defend human rights or the peaceful settlement of disputes.

III. RESEARCH METHODOLOGY

This paper adopted the Ex Post Facto (After the Fact) research design. Materials for this paper was sourced through secondary sources of data which include textbooks, journal articles, newspapers, magazines, official documents from the government, internet materials, among others. Content analysis was used to analyse data so generated. This is with a view to identify logical sequence of data as well as trends.

Theoretical Framework

The study applies the Economic Nationalism theory which has the same basic argument as the realist theory about the centrality of power in International relations. Major proponents are Alexander Hamilton (1755-1804) and Friedrich List (1789-1846). Economic Nationalism propounds the primacy of the role of the state in the global system (O'Brien & Williams, 2004). Economic Nationalists argue that the state's role has not diminished as a result of globalization, because the process of globalization is actually driven and shaped by states, and furthermore because national economies are the most important actors in international economic processes. The most central concern of Economic Nationalism is that of bolstering national power. National power implies a combination of political and economic power: when economic power is maximized, so is political power, and vice versa. Thus, Economic Nationalists recognize that there is a profound connection between wealth and power. For Economic nationalists, the well-being of the nation is of central importance for the augmentation of power (Chin, 2015). The state's role in economic development ultimately contributes towards the formation of a national identity, because economic development forms and enforces the idea and sentiment of the nation, which increases the political power of the state. Thus, the relationship between the

economy and the nation is an important issue for Economic nationalism. Economic Nationalism has often been associated with mercantilism and protectionism. However, Economic Nationalism is slightly distinct from those approaches. Where the mercantilist's goal is autarky, the Economic Nationalist's goals are national unity, autonomy and the maximization of national power, where mercantilists advocate protectionism, Economic Nationalists advocate free trade if it bolsters national power. The approach is pragmatic: implement the policy that best augments national power. Thus, Economic Nationalist advocated protectionism and government intervention in the economy only in particular circumstances, such as 'if a nation capable of industrializing had not yet done so. Economic Nationalists argue that liberal economic policies in the international economy do not necessitate liberal policies in the national economy rather; state intervention is a prerequisite for successful participation in the international economy. For Economic Nationalists, the economic policies of states are usually designed in such a way as to strengthen national unity.

The drawback of the theory is that it fails to consider other factors and interests of the government that might necessitate the involvement of the state and it gives too much primacy to wealth and power (Agubamah, 2014).

Economic Nationalism is well suited in examining China's Infrastructural diplomacy in Nigeria; China has a long history of nationalism, and its foreign policy orientation remains distinctly nationalist. Chinese nationalism was spurred on particularly by Western hostility towards China, and Western rule over some parts of China since the Opium Wars in the 19th century, which saw disputes over British trade in China. It is in this historical context that Chinese rulers promoted nationalism as a means to oppose external hostility and assert their independence (Zhu, 2001). Nationalism was the key factor driving Chinese foreign policy for most of the 20th century. Since 1949, the Chinese government has actively promoted 'state nationalism' (building a Chinese nation as opposed to ethnic nationalism). Nationalism still dominates China's foreign policy orientation. Adjustments in Chinese foreign policy are usually context-specific adaptations that serve to achieve the fundamental goal of Chinese nationalism: to seek and preserve China's national independence. The main priorities of Chinese nationalism are: economic development, national unity and independence, and international prestige. Of the three, economic development is seen as the most important priority; the one that encompasses all other national objectives (Chen, 2005).

China's Infrastructural Investments in Nigeria

In an effort to improve and increase infrastructural facilities in the country, to boost socio-economic activities and operations, successive governments at local, states and federal levels have devoted attention to the areas of infrastructural and resources development. Emphasis has been placed on road, rail and power plants constructions in which the Chinese have been

actively involved. For instance, the modernization of Nigeria's one-track rail to standard gauge rail from Lagos to Kano via Abuja is a good example. This rail line is to be constructed in five segments over a five-year period and will cost over US\$ 9 billion (Chen, 2018) unfortunately the work is yet to be completed. Other engineering and construction projects awarded to Chinese firms have been recently completed while others that are still ongoing can be seen in the energy sector. Another example of Chinese construction is the Nigeria Communications Commission (NCC) Headquarters building in Abuja (Meidan, 2006).

In the construction sector, more than 200,000 Nigerians were employed to participate in the works that are generally under the close supervision of the Chinese experts. China's engagement in Nigeria amounts to total financing commitments of US\$5.4 billion. The initiation of activities dates back to 2002 with the agreement on the first phase of the National Rural Telephony Project (NRPT), when China's two telecom giants ZTE and Huawei began actively pursuing equipment supply and network rollout projects for both fixed and wireless services in the country (Mthembu-Salter, 2009).

Nigeria's first loan from the China Ex-Im Bank came in 2005 to support construction of power stations at Papalanto (335MW), Omotosho (335MW), and Geregu (138MW) in Ogun, O

ndo, and Kogi states respectively. The construction of Papalanto plant, financing commitments according to Bureau of Statistics, was undertaken by Sepco of China while the China Ex-Im Bank agreed to finance US\$300 million of the estimated US\$400 million construction costs. The deal was oil-backed such that in return CNPC, secured a deal to purchase 30 000 barrels of crude oil a day from the Nigerian National Petroleum Corporation (NNPC) for a period of one year, which was renewable (Africa Today 2016).

In March 2005, the PRC agreed to construct 598 boreholes in 18 of the 36 Nigerian states including the capital, Abuja to support the country's water supply programme. The aim of the free-aid water project was to provide clean drinkable water to Nigerians. In 2006, there was a substantial scale-up in China Ex-Im Bank financing with almost US\$5 billion of projects agreed. These included contributions of US\$2.5 billion to a major Lagos- Kano railway upgrading project, contribution of US\$1 billion to Abuja Rail Mass Transit project, which involves the construction of a high speed rail link between Lagos and Abuja, as well as a light railway system connecting Murtala Mohammed International Airport and Nmandi Azikwe International Airport, Lagos and Abuja city centers respectively. Also, according to the then Minister of State for power, Mustapha Shehuri, in 2016 stated that the Mambilla Power Project which was put on hold will now be completed at a cost of about US\$6billion by the Chinese construction giant, China Gezhouba Group Corporation (CGGC).

China's Infrastructural Diplomacy stems from the facts that Nigeria lags behind other developing countries in infrastructure and has a craving demand for catching up, in the spirit of south-south co-operation, and also the need to continue expanding the economic frontier of China to improve the welfare of its people and gain legitimacy, China see Africa has being able to meet her needs to attain her economic and political interests. Consequently, building is what China has been doing on a massive scale with projects of all kinds sited in Nigeria, such as the recent signing of a contract worth \$12 billion to build coastal railway in Nigeria stretching 650km across the country from Calabar to Aba, Port Harcourt, Warri, Benin city and Lagos. Never before in human history have we seen the spectacle of a continental-sized China which was as poor as most African countries only 30 years ago, building up Nigerian infrastructure on such a scale that could help the Country to catch up in development. Currently China grants a loan to Nigeria of 500 billion dollars to improve the existing railways which brought a controversies between the minister of Transport Mr Rotimi Amechi and the house committee on treaties and bilateral agreements. (Channels News, 8/17/2020)

The Chinese Government has committed to financing a construction of the Abuja Rail Mass Transit System; and to the rehabilitation of 1,315 kilometers of the Lagos-Kano line under the first phase of Nigeria railway modernization programme. The total cost of the Lagos-Kano rail project is estimated to be US\$8.3 billion, of which the Chinese Government was to cover US\$2.5 billion through a line of credit part of which would be also be allocated for supporting power projects. However, In October 2008, the Chinese rail projects were put on hold pending a review of the agreements after a period of tensions linked to allegations by Nigeria that China was not delivering on its investment promises. (Note: Nigeria suspended the rail contract with the China Civil Engineering Corporation (CCECC) that year, saying the cost was inflated and the government did not have enough funds to modernize the country's century-old rail system. Former Nigerian President Olusegun Obasanjo awarded the contract to the Chinese company in 2006 and promised the firm an oil block in return as an incentive. China facilitated the deal with an initial offer of a US\$2 billion loan.

IV. MOTIVATIONS FOR CHINA'S INFRASTRUCTURAL DIPLOMACY IN NIGERIA

Contrary to the conventional perception that China is interested only in Nigeria's natural resources, China's interests in Nigeria include at least four dimensions of national interest: political, economic, security and ideological. Nigeria's rich natural resources and underdeveloped market potential create abundant business potential for Chinese business players. Enhanced Chinese economic presence on the ground creates a challenge in protecting booming Chinese investment and personnel in Nigeria. As China pushes for liberalization of international relations, the success of the so-called China Model or Beijing consensus and relations with non-Western and non-democratic Nigeria have become an

increasingly important goal for China, both for domestic and foreign policy purposes.

Economic interests

Need for Oil and Raw Materials

There is a debate inside China on whether political interests or economic interests should represent China's top priority in its overall strategy in Nigeria. Chinese officials have consistently emphasized that, for the majority of the past six decades, China's goal in Africa has never been for economic benefits: In 2011, the then Chinese Premier, Wen Jiabao proudly stated that 'China had selflessly assisted Africa when itself was the poorest. We did not exploit one single drop of oil or extract one single ton of minerals out of Africa.' This seems to suggest that Beijing views Africa first and most keenly through the lens of political ties rather than economic benefits. Since China's political agenda has been a constant theme of Beijing's Africa strategy, some Chinese analysts firmly argue that, with or without the economic benefits, Africa invariably would have been important for China. (Wen, 2011)

However, the counterargument is that, despite Nigeria's political importance, China has elevated economic considerations to a much higher level in its domestic and foreign agenda since the beginning of Beijing's strategy to diversify and consolidate its legitimacy through the delivery of economic development to her general population. China hosted the Sino-African summit in Beijing in November 2006 where at least 48 African Heads of State attended to discuss economic and diplomatic initiatives that would benefit their regions. Africa's wealth in resources has justified China's initiative. (Zhao, 2006)

Another readily stated argument, for an increase in China's engagement of the global south is its need to secure foreign markets and resources to fuel its rapid growth. East Asian energy demand grew by 5% annually. Moreover, oil consumption in developing Asia is expected to rise from 14.6 million barrels/day in 2000 to 29.8 million barrels/day by 2025 (David, Stanley, , 2008). China itself is estimated to use 10.9 million bpd by 2025, with net imports of 7.5 million bpd. This will mainly be from growth of passenger cars as the Chinese population becomes more affluent.

In 2003 China surpassed Japan as the second largest importer of oil in the world and in 2004 became the second largest energy consumer in the world under the United States. To meet increasing demand, Beijing must use an active foreign policy to secure foreign sources of oil and other minerals. The Chinese National Petroleum Corporation (CNPC) and the Chinese National Offshore Oil Corporation (CNOOC), two state-owned enterprises, act as the arm of the Beijing government to financially secure territory and develop joint ventures with domestic producers, which are facilitated by trade agreements secured by the government. This was seen in 1997 when CNPC outbid western firms like Exxon, Texaco and Amoco to acquire and develop oil fields in Iran,

Venezuela and Sudan. Currently, the majority of China's oil comes from Nigeria.

Chinese government firms have invested billions of dollars in foreign exchange and have used Chinese engineering and construction resources on infrastructure for developing oil, gas, mineral, and other natural resources Nigeria and other African Countries. The PRC's new African energy investments are clearly intended to supplement its Middle Eastern oil imports. Under the agreement, the loan will be heavily re-invested in infrastructure construction, with 70 percent of the loan funds going to Chinese companies and the remaining 30 percent going to local subcontractors. In July 2005, Petro-China concluded an \$800 million deal with the Nigerian National Petroleum Corporation (NNPC) to purchase 30,000 barrels of oil per day for one year. In January 2006, China National Offshore Oil Corporation (CNOOC), after failing to acquire American-owned Unocal, purchased a 45 percent stake in Nigerian offshore oil and gas field for \$2.27 billion and promised to invest an additional \$2.25 billion in field development (Kate & Shai, 2006). In 2004, there were more than a dozen exchange visits of high-level party and government officials between China and Nigeria. Most of the exchanges has centered on economic and energy cooperation. For instance: In February 2004, Former Chinese President Hu Jintao visited Nigeria, the oil giant to consolidate further the security of energy supplies. In October-November 2004, National People's Congress Chairman Wu Bangguo visited Nigeria. The visit focused on joint oil, mineral and renewable resource exploration opportunities in the Country. In January 2006, then Foreign Minister Li Zhao Xing's visited Nigeria, he was accompanied by the release of China's African Policy, an official Chinese government paper aimed at promoting economic and political cooperation as well as joint energy development without interfering in each other's internal affairs (BBC news).

As pointed out, China needs to maintain growth in order for the state to remain stable. Decreasing reserves of oil and gas domestically, and a need to maintain its own energy security, have created a 'mad grab' for energy resources in any place Beijing can find them. A policy of non-interference is more appealing to authoritarian states who are tired of pressure from Western institutions to liberalize, which is then beneficial to China. Promotion of the Five Principles by other states also helps to promote support for China's policy of non-interference and emphasis on state sovereignty (Iffer,2008).

Meanwhile, China also had it eyes on Nigeria for its market potential. Chinese manufacturing industries enjoy the unique advantage of producing textiles, electronics and other products at a relatively low price, which fits the Nigerian market demand. Nigeria's importance as a market for China was significantly enhanced as a result of the 2008 international financial crisis and its dire effect on China's export industries. When the demand for Chinese goods shrank from stagnant Western economies, China's export industries had to resort to alternative markets to fill the void.

Some analysts therefore attribute the international financial crisis to the fact that China surpassed the U.S. as Africa's largest trading partner during the same period. Furthermore, as China seeks to upgrade its industrial economy and move up in the global supply chain, Nigeria, with its vast and untapped labor resources, is identified as the ideal location for China's labor-intensive industries.

In the past five decades, the volume of Sino-Nigerian trade has been gradually increasing. Now a greater variety of products are traded, evidence of friendly cooperation between China and Nigeria. Since China launched its reform and opening-up program in the 1980s, it has attached great importance to friendly cooperation with African countries. The volume of Sino-Nigerian trade has maintained an average annual growth rate of 3.6 percent, but in some years that figure has been higher than 40 percent. In 2000, the volume of trade exceeded \$10 billion. In 2005, that figure increased to \$39.74 billion, over 800 times what it was worth 50 years ago. The most important feature of the development of Sino-Nigerian trade is its accelerating growth.

Political Interests

Since the early days of the People's Republic of China, political interests have been the anchor of and constant theme in Beijing's relationship with Africa. In its pursuit of friends in the bipolar Cold War international system, Beijing identified Africa's newly independent nations as a key group with which to unite. Nigeria and China are both of geographical and demographic significance in their respective regions. China is ready more than ever to expand spheres of diplomatic ties in an ever-changing world political order. Nigeria is a country that cannot be ignored in Africa in the 21st century when China speaks of economic and political matters rather than military agenda. China saw natural common ground and bore a sense of empathy with Africa as a result of their shared historical experiences: Africa and China were both victims of colonization by the capitalists and imperialists and faced the same task of national independence and liberation after World War II.

Among the ¥256.29 billion cumulative foreign aid China had given by the end of 2009, 45.7 percent had been to Africa (Omotere, 2011). Therefore, in terms of Africa's political importance, China's overarching goal historically has been diplomatic recognition from African nations and the establishment of official ties that strengthen the political legitimacy of the communist regime. Throughout the 1960s, the period when China was striking with both fists (in two directions: toward the United States and the Soviet Union), its support for African countries greatly reduced the pressure on China brought about by the international isolation imposed by the two major powers. The emotional affinity of China toward Africa has since then been a constant factor in the relationship. (Wenping, 2007).

Another China's key political aspirations in its relationship with Nigeria is to end Taiwan's diplomatic presence on the

Country. For Beijing, it is a matter of fundamental regime legitimacy that Nigeria embraces the One China policy and accepts Beijing rather than Taipei as the only lawful representative of China. The tug-of-war between Beijing and Taipei over diplomatic ties with African countries has lasted more than six decades since the founding of the People's Republic of China.

Security Interests

Given the vast geographical distance, Nigeria poses hardly any direct physical threat to China's immediate national security or the security of its periphery. However, as China's economic activities and personnel presence expand rapidly, the physical security of Chinese investments and nationals has become the top challenge for Beijing. According to FOCAC (2012) report, there are at least 200,000 Chinese living in Nigeria as of October 2012 and in 2019 it was said to be more than 500,000. These people are subject to numerous security threats at the local levels. Some of the attacks on Chinese projects due to labor disputes and illegal activities by Chinese companies:

In January 2007, two Chinese workers were kidnapped by the anti-government Movement for the Emancipation of the Niger Delta in southern Nigeria as a threat against Chinese company's exploitation of crude oil in the Niger Delta (Li, 2007). The protection of Chinese nationals in Nigeria is linked to the Chinese government's legitimacy in that a failure to provide such protection would undercut the Chinese Communist Party's internal and international prestige.

Ideological Interests

The emphasis on ideology originated from the hostile external environment that forced China to seek friendly diplomatic space to ensure its survival. This ideology-driven policy resulted in massive aid to Nigeria despite China's own economic difficulties and was gradually abandoned after 1979. Since then, China no longer uses ideology (communism or socialism) to determine its relationship with Nigeria. Instead, it has developed broad relations with most African countries that embrace the One China policy. As explained earlier, the non-discriminative nature of China's relationship with most African countries is primarily driven by economic interests and practical political considerations, such as garnering international supporters, legitimacy and support for the Chinese government. However, as the largest and perhaps the most successful authoritarian regime in the world, it is inevitable that Beijing's foreign policy strives to serve domestic political purposes. As many China analysts would argue, given the country's lack of democratic elections, the Chinese Communist Party's (CCP) most fundamental need is to establish and preserve legitimacy. Domestically, the CCP proves its legitimacy by making China independent with the founding of the new China, and by making Chinese people rich with reform and opening up. Consequently, calls for democracy are muffled by and subject to the higher need for stability to foster further economic development.

Furthermore, foreign governments' recognition of the CCP's successful political and economic policies is seen as a powerful reinforcement of CCP's legitimacy at home. This is where the China Model, or Beijing Consensus, plays an important role. China uses its own development model, which combines political authoritarianism and economic nationalism and capitalism, to prove to some African countries that economic development and political stability can triumph over the need for a sound democratic system. In many countries, China's economic progress is cited by statist and protectionists, to prove that keeping the state's grip on companies, trade, and political freedom need not stop a country from growing economically. From Beijing's perspective, the popularity of the China Model is the best way to validate the viability of the Chinese system. A senior Chinese analyst at the People's University wrote publicly that the China Model has substantial influence in Africa, which is an indispensable soft power for China to become a great power in the world. Incidentally, the same model also continues to support the legitimacy of the CCP at home.

V. CONCLUSION

China's Infrastructural diplomacy stems from the facts that Nigeria lags behind other developing Countries like Brazil, India and South Africa in infrastructure and has a craving demand for catching up, in the spirit of south-south co-operation. Also the need to continue expanding the economic frontier of China to improve the welfare of its people and gain legitimacy, China see Nigeria has being able to meets her needs to attain her economic and political interests. Consequently, building is what China has been doing on a massive scale with projects of all kinds sited in Nigeria, such as the recent signing of a contract worth \$12 billion to build coastal railway in Nigeria stretching 650km across the country from Calabar to Aba, Port Harcourt, Warri, Benin city and Lagos. Never before in human history have we seen the spectacle of a continental-sized China was initially driven by its vast demand for energy resources, its involvement since has expanded beyond oil. Chinese companies are now actively involved in other sectors of Nigeria's economy, primarily in the Agriculture, Construction, Manufacturing and I.C.T. As a result, since 2000, China's Foreign Direct investments in Nigeria have been increasing. Nigeria has overtaken other leading destinations of Chinese investments in Sub Sahara Africa including South Africa. A number of reasons can explain the increase in China's investments in Nigeria. The major reasons are the availability of oil and other mineral resources in large commercial quantity and the large market size of the country, given its population.

Notwithstanding, the Chinese investments in Nigeria have not always been unidirectional, though not a balanced bilateral one. However, a few obstacles may impede these prospects. Some of the challenges include unidirectional of Sino-Nigerian investment relations; concentration of Chinese investments in oil and mineral resources; low level of technology transfers; inferior goods from China; and

discouraging of local manufacturing ingenuity/creativity. Therefore, for Nigeria to maximally benefit from these investment relations, there is need for the government to 'put in place policies and institutions to maximize the complementary effects and minimize the competing effects'.

VI. RECOMMENDATIONS

The following recommendations would enable Nigerian policymakers to make the most of Chinese investment in infrastructure development, so as to foster sustainable development in the Country.

First of all, Nigeria need to seize the unprecedented opportunity, by teaming up with China in planning and promoting infrastructural development and industrial collaboration, so as to accelerate industrialization and agricultural modernization. The Nigerian government must be aware of setting up policies that will make China to ensure that the goods that are brought into Nigeria are up to the standard obtained anyplace in the world.

Secondly, political stability and continuity is the foundation and guarantee of successful Sino-Nigerian collaboration in infrastructural development. To attract much-needed investment, including from China, Nigeria need to put in place far-sighted and appealing investment policies and provide a macroeconomic environment that is politically stable, business friendly, and open.

Thirdly, the success of projects depends on how Nigerian government execute and maintain them. China should be asked to manage the follow-up operations for a certain period of time where that is possible. In many unsuccessful cases, the problem can be attributed to a quick transfer of authority to the local side on completion.

Fourthly, the aspect of ensuring proper repayment plans of the loans gotten from China to finance infrastructure projects need to be strategically elaborated and information made available in public domain. This is to ensure that responsibility and accountability by the governments.

Finally, Nigeria need to increase the effectiveness of their training of local technicians and try to retain them. This not only determines the project's success but also lays the foundation for Nigeria's future industrialization.

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