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China-Nigeria Economic Relations and Implications for African Diplomacy

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Abstract

Globalisation has drawn the economies of the world into diverse relationships for mutual gains. Since the establishment of China-Nigeria diplomatic relations in 1971, both nations have explored possible means to benefit from each other.This paper examines China-Nigeria relations and their implications on Nigeria's economic survival, and how Nigeria and indeed Africa can better leverage this relationship. As China's influence in Africa increased, the nature and extent of its engagement in Nigeria's economy also deepened. This has sparked concerns about the potential consequences for Nigeria's economic future. The paper by assessing key areas of engagement aims to identify the potential economic risks the relations hold for Nigeria. The study adopted ex-post and longitudinal research designs and obtained data from secondary sources. Building upon the dependency and complex interdependence theories, the study found that although bilateral relations with China enhance Nigeria's economic growth, multiple risks exist in the collaboration, such as debt issues, lack of technology transfer and over-dependence on Chinese imports that weakens and endangers Nigeria's economic survival. The study recommended that Nigeria and African states should rejig their economic diplomacy by prioritizing the development of local industries to increase their competitiveness against Chinese imports.

Keywords: African Diplomacy, China-Nigeria, Economic Survival, External Relations.

Introduction

Over time, the world's economies have become increasingly interconnected through trade and other forms of international interactions. The fact that different countries have different resource

endowments, preferences, technological capabilities, levels of production, and capacity for growth and development serves as the basis for this global cooperation (Nwokolobia & Ikenga, 2023). China's initial contact with Africa occurred in the early 15th century when some Chinese traders and adventurers landed along Africa's coastline. This foundation was established by Zheng He, a legendary navigator from China's Ming Dynasty who commanded the world's largest fleet to tour more than 30 countries and areas in Asia and Africa (Uyabara, 2022).Consequently, China's massive development of commercial interests in Africa has emerged as an important trend in the continent's international relations (Raji & Ogunrinu, 2018). In terms of commerce, China's relations with Africa have surpassed those with the United States, aided in large part by China's $150 billion Investible Export Loan Assistance to multinational

firms (Brautigam, 2009). Between 2001 and 2011, Chinese exports to Africa increased from $4.4 billion to $56.3 billion (Raji & Ogunrinu, 2018).

In Nigeria's case, unofficial interaction with China began in the 1950s. Specifically, Nigeria's first encounter with the Chinese occurred in Egypt. In 1957, Chan Hang-Kang, a commercial officer at the Chinese Embassy in Cairo, created unofficial economic relations with Nigeria, Tunisia, Libya, Ghana, Ethiopia, and Tanzania (Nwachukwu, 2017). However, Nigeria's first official encounter with China occurred in 1960, when a Chinese delegation was invited by the Nigerian government to join the country's independence celebrations (Ogunsanwo, 2018). The team delivered a goodwill message from the Chinese authorities congratulating Nigeria on its victory over colonialism. Nigeria established diplomatic relations with China on February 10, 1971. Nigeria supported China's bid to replace Taiwan as a permanent member of the UNSC.

Following the establishment of formal diplomatic ties, Nigerian Head of State, General Yakubu Gowon made his first visit to China in 1972. Other Nigerian leaders paid visits to China, but the Asian giant did not reciprocate for more than 25 years until Obasanjo visited China in his second tenure, causing Chinese President Hu Jintao and Prime Minister Wen Jinbao to reciprocate with visits to Nigeria (Egbula & Zheng, 2011). During these visits, several agreements were signed, including the Protocol on Co-operation on Electric Power Projects in Nigeria, the Agreement for Reciprocal Promotion and Protection of Investments, and Oil Industry Cooperation, to name a few (Ezeani & Ngoka, 2022). More efforts were made to secure further financial aid from China to fund Nigerian infrastructure projects. In keeping with this goal, during his first visit to China in 2016, President Buhari requested and received Chinese assistance for the development of various Nigerian projects. These include West Africa's first urban rail system in Abuja, which cost $500 million, and the 180-kilometre rail route connecting Abuja and Kaduna, which opened in 2016. Other projects, included airport terminal upgrades, the Lagos-Kano rail line, etc, (Premium Times, 2015). Similarly, in September 2018, the President secured financial assistance from China to develop the 3,050-megawatt Mambilla hydroelectric power project and inked a $328 million agreement for the ICT Project (Olowolagba, 2018).

This list of trade agreements demonstrates how China and Nigeria have developed trade, assistance, and investment ties over time. The foundation of the Sino-Nigeria relationship is also the exploration of their comparative economic advantages for mutual gain. Trade between China and Nigeria has expanded as a result of China's expanding economy's need for additional raw materials from Nigeria, notably crude oil and other mineral resources to support and expand its industrial base. China and Nigeria have the largest populations in their respective continents, Asia and Africa. China, the world's most populous country with over 1.4 billion people, is also leveraging on Nigeria's massive population of approximately 200 million people according to the World Count 2020 (Osimen & Micah, 2022). Due to its large population and rich natural resources, Chinese investments in Nigeria have become a trending issue in the twenty-first century, with more than 200 Chinese companies currently operating in Nigeria, making the country the highest recipient of Chinese Foreign Direct Investment (FDI) - approximately $15 billion out of its $26.5 billion investments in Africa as of 2016 (Raji & Ogunrinu, 2018).

Despite China and Nigeria's functional relationship, scholars and experts have expressed varying viewpoints about the benefits of the socioeconomic engagement between the two countries, with Chinese investments in Nigeria attracting resentment and criticism. There a

growing concerns specifically, about the impact of Chinese investments on Nigeria's economic survivability, which is significantly impacted by the dumping of inferior Chinese goods; a lack of technology transfer; fewer opportunities for the survival of Nigeria's investments in China, and visa and employment restrictions on Nigerians seeking to explore business opportunities in that country (Ogunsanwo, 2018). For example, Sanusi- the former governor of the Central Bank of Nigeria- stated in 2013 that: "China takes from us primary goods and sells us manufactured ones. This was also the essence of colonialism" (Adunbi & Stein, 2019). Previously, Enuka (2010) contended that Chinese FDI has increased Nigeria's dependence on the Chinese economy, thereby jeopardizing the country's economic survival. This study examines the consequences of China-Nigeria relations concerning Nigeria's economic survival and sustainability. The study delves into the history of Nigeria-China ties, examining the key thrusts and strategic significance of the relationship. The study also highlights the important sectors of Chinese investment in Nigeria's economy and explores the implications of this relationship for Nigeria's economic future.

Statement of the Problem

Nigeria has abundant natural resources and a young, vibrant population. Nigeria has the capacity for growth, but it needs countries such as China, which has a dynamic and rising economy that has achieved economic independence, growth, and development. China has been able to supply Nigeria with low-interest loans, bilateral trade policies, technical and humanitarian aid, as well as vital infrastructure to boost economic growth and development. However, the structure of trade between the two countries is heavily unbalanced in favour of China due to variations in exports and other areas of trade. This ensuing trade imbalance poses a significant hurdle to Nigeria's expected economic push. China exports a wide range of products to Nigeria, including machinery, textiles, iron and steel, among others. Nigeria's mono-export bilateral trade pattern has harmed its productive capacity and contributed to growth volatility. Despite what appears to be a win-win economic engagement with China, Nigeria's economy has slowed. There is an urgent need to balance these imbalances, which jeopardizes Nigeria's economic survival. This may not only call for the over-hall of Nigeria's trade relations with China, but a total rejig of the entire African economic diplomacy with China.

Although there are many issues in Sino-Nigeria bilateral relations, the problem that this study envisages is the implications of China's increasing engagements and the economic survival of Nigeria. The second is what Nigeria and indeed African states must do if their engagement with China must be profitable and guarantee the survival of their economies in the future. Within the context of this study, economic survival refers to a situation of a thriving economy with resilience in the face of internal and external pressures (Hermansen & Röhn, 2015). An economy is not threatened by its interactions with other economies but can compete with indications of steady growth and hope for a better economic future no matter the prevailing adverse economic conditions. This quality of strength, resilience and viability of the Nigerian economy is lacking in the face of her competition with China.

This paper addresses four main objectives: (i) to examine the evolution of China-Nigeria relations in a historical context; (ii) to assess the areas and current nature of China-Nigeria engagement; (iii) to evaluate the implications of the relations to Nigeria's economic survival**;**

andiv**)** to make suggestions on how best Nigeria and indeed Africa could leverage their relations with China to secure economic buoyancy.

Research Methodology

The paper adopted the combination of *Ex post facto* (after the Fact) and longitudinal research designs. *Ex post facto* research focuses on how actions and events that have already occurred can predict certain causes and outcomes. It is a research design that begins after an event has happened and without the interference of the researcher. Actions and events shaping China-Nigeria relations have occurred since 1971. Longitudinal research design employs continuous or repeated measures to investigate or observe certain specific individuals, places or ongoing events over prolonged periods, often years or decades such as China's ongoing relationship. Materials for the paper were sourced through secondary sources of data which include textbooks, journal articles, newspapers, magazines, official documents from the government, and internet materials, among others. The data were analysed qualitatively using the content analysis technique to identify the logical sequence of the information as well as trends.

Theoretical Framework

This paper adopts the theories of dependency and complex interdependence as a theoretical framework. The central argument of the dependency theory, which was developed in response to the criticism of modernization theory, is that resources move from the "periphery" of underdeveloped and impoverished nations to the "core" of wealthy states, benefiting the latter at the expense of the former. Santos (1970) defined dependency as a scenario in which one group of countries' economies are conditioned by the development and expansion of another, to which the former is subjected. As a result, the interdependence of two or more economies takes the form of dependence when certain countries (the dominant ones) can grow and become self-sufficient, while other countries (the dependent ones) can only develop as a reflection of that expansion, which may or may not benefit their immediate development. Dickson (2024) claims that this explanation reveals four critical points: First, a nation can integrate into the global economy by interacting with one or more powerful states, resulting in both bilateral and multilateral dependency channels; second, a form of interdependence exists between foreign and domestic entities; third, this interdependence can influence the development and other strategies of decision-makers in a dependent nation; and fourth, the resulting relationship is fundamentally unequal, marked by a dynamic of dominance and dependency(Ate, 1986; Dickson, 2013a).

This implies Nigeria is heavily dependent on the economic expansion of China through the dumping and consumption of finished goods, which prevents the nation from having the chance to develop its industrial capacity. As a result, collaboration has not been mutually beneficial in terms of economic gain but the relationship is better understood in the light of the dependency.

Specifically, Samir Amin focuses on the relationship between core (developed) and peripheral (developing) nations and explains how global capitalism perpetuates underdevelopment in the periphery. Amin (1976) argued that the economic relationship between core and peripheral countries is characterized by a profound inequality that is not accidental but deliberate and systemic. According to him, global capitalism functions in a way that advantages industrialized nations while maintaining the economic dependence and underdevelopment of the periphery. He posits that global capitalism perpetuates disparities between developed and developing nations, leading to structural imbalances that hinder autonomous development in the

latter. Developed nations control key global institutions, technology, trade, and finance while developing nations remain dependent on these nations for their economic growth (Amin, 1976).

Amin's concept of unequal development offers a critical framework for analyzing the economic relationship between China and Nigeria and understanding the broader implications for African diplomacy. China, as a rising global power perfectly represents the core in this instance, has increasingly become a central player in African economies, including Nigeria which represents the periphery. By focusing on the structural inequalities inherent in global capitalism, Amin's theory provides a lens through which we can assess the potential risks of dependency and underdevelopment Nigeria and African economies face in their engagement with global powers like China. While these relationships offer growth opportunities, they must be carefully managed to avoid reinforcing dependency (Kalu, 2012).

On the other hand, the theory of complex interdependence by Nye and Keohane (1977) is based on the assumption that no nation is entirely self-sufficient and that within the confines of international relations, there is more cooperation and interdependence among nations aimed at achieving mutually beneficial outcomes. The theory argues that in the international system, both small and large economies come together through trade or economic collaboration and stand to benefit regardless of the proportion, as it is in the China-Nigeria relations, though the dynamics of unequal transactions cannot be ignored (Raji & Ogunrinu, 2018). Keohane and Nye extended and popularized the theory of complex interdependence in international relations, proposing it as a critique of political realism. According to this thesis, state fortunes are inexorably intertwined. They used the analytical framework of complex interdependence to challenge political realism and demonstrate how interdependence transforms international politics and trade relations (Zainab & Sheriff, 2018). The theorists recognized the growing diversity and complexity of transnational links and interdependencies between nations and cultures, even as the use of military might and power balance declines but remains vital (Nwosu et al., 2024).

In his obsession with complex interdependence, Joseph Nye opined that the outcomes of state relations frequently vary and that there is the possibility for both benefits and tragic losses. Despite the possibility of varied outcomes, Nye insisted that it is extremely disadvantageous and suicidal for a country to isolate itself from the rest of the global community. Economic interdependence is an undisputable reality in today's world. The significance of this theory in understanding relations between China and Nigeria, and Nigeria's economic survival is that no nation is naturally endowed with all of the resources necessary to support its well-being. Thus, these nations must interact with one another to thrive. The two theories of complex interdependence and dependency are crucial to this paper because they both make the case that, through beneficial and optimal cooperation, both great and small economies can benefit from a relationship. However, because international politics is dependent on these relationships, it is impossible to ignore the dynamics of unequal relations as currently experienced between China and Nigeria.

Evolution of Nigeria-China Bilateral Relations

Historical records indicate that China-Nigeria relations are relatively new. Even though China and Nigeria had informal trade in the 1950s, formal trade contacts between the two countries began on February 10, 1971, following the normalization of ties (Odeh, 2014). Thus, the China-Nigeria relationship has been quite cordial over the last 50 years of diplomatic relations. First, in

the early days of the relationship, there was a Cold War in the world between the Eastern and Western blocs. Although the two nations were not directly involved, most developing nations, such as Nigeria, joined the non-aligned movement as a policy of neutrality. Nigeria, a non-aligned country, was always receiving the necessary support from China, and they collaborated at the international level through the United Nations (Osimen & Micah, 2022). Nigeria also collaborated with China on anti-colonial issues and the struggle against Apartheid. China has long supported Africa's goals; Nigeria was regarded as a frontline state in the fight to end Apartheid and colonialism in Africa. Nigeria has fostered partnerships with China over time, believing that as emerging countries, they share common interests. Nigeria, within the African context, played an essential role in having China admitted as a permanent member of the United Nations Security Council, a seat Taiwan initially occupied. China has always been grateful to Africa, particularly Nigeria, for their role in enabling it to become a permanent member of the UNSC. This according to the then Chinese ambassador Jin Yongjian, remains inedible (Osimen and Micah, 2022).

However, China-Nigeria ties have not been always cordial, because, during the civil war, China provided arms for Biafra. This strained the duo's relations. However, after the West rejected the late Sani Abacha's military regime as a pariah among nations due to human rights violations, the relationship was fully restored and pronounced during his rule. Since then, the friendship between these two countries has grown rapidly (Ocholi & Okonkwo, 2022). General Yakubu Gowon, the then-Nigerian Head of State, was the first to visit China in 1972. Other Nigerian presidents followed suit, but it took the Asian giant 25 years to reciprocate these visits during President Obasanjo's second term (2003–2007), and a stronger Nigeria-China relationship emerged (Osimen & Micah, 2022). Sino-Nigerian relations have remained largely cordial since then, despite some reservations about racism, the balance of trade, Chinese loans, aid, and debt issues. Nigeria's colonial history has always been the reason for distrust in its dealings with major foreign players. As a result, China's entry into the country has been met with scepticism, given its long-standing rivalry with the United States for global prominence, with the possibility of enlisting Nigeria into proxy wars and alliances against the US, among others. Despite this scepticism, China-Nigeria ties have proceeded smoothly, but the benefits of this connection appear to be lopsided in favour of China (Nwokedi, Obasi & Aroh, 2023).

Interestingly, China has plenty of reasons to step up her interest in Nigeria to avoid falling into the trap of following the footsteps of her competitors, who are frequently accused of various exploitative practices. In any case, China's apparent affection for the Nigerian business community appears to have piqued the jealousy of her competitors, who now accuse her of unscrupulous economic tactics such as bribes to gain oil fields. Interestingly, Chinese influence appears to be increasing in Nigeria, despite host country distrust and criticism from Chinese competitors (Nwokedi et al., 2023). Nigeria is currently China's largest trade partner in Africa. (Nwosu, Ngwuta, Ibiam, Nwankwo, Ikpolo, & Iwuala, 2024).

Analysis of China – Nigeria Engagements

Sino-Nigeria economic interactions have targeted some of the key sectors of the Nigerian economy such as Foreign Direct Investment (FDI), oil and gas, infrastructural development, and telecommunications, among others. Recent figures show a constant rise in foreign direct investment (FDI) inflow to Nigeria from China. Chinese involvement in Nigeria spans across all sectors of the economy, as more than 200 Chinese companies are currently operating in Nigeria,

making it the highest receiver of Chinese FDIs, accounting for around $15 billion of its $26.5 billion investments in Africa as at 2016 (Raji & Ogunrinu, 2018). The East Asian Investment Indicator (2016), said, the over 200 Chinese enterprises in Nigeria are mostly engaged in construction, oil and gas, and technological services. Chinese investments have profited immensely from Nigeria's tax cuts and generous expatriate quotas to encourage foreign investment (Ahamefule, & Ufomba, 2023). In Nigeria, the Chinese owns about 70 construction, 40 investment, and 30 trading enterprises, according to a 2019 Chinese embassy report. Chinese companies were given 175 construction contracts worth an estimated $17 billion in 2018 alone (Nwachukwu, 2021).

For example, with the cooperation of the federal and state governments, the China Civil Engineering Construction Corporation (CCECC) is nearly solely in charge of rehabilitating Nigeria's road and rail networks. Furthermore, Nigeria cemented its membership status as a leading African investment destination for Belt and Road Initiative (BRI) projects in 2018 when it signed a memorandum of understanding (MoU).China's investments in Nigeria have mostly concentrated on rail infrastructure, large gas pipeline projects, and the construction of new airport terminals (Lee, 2021). In the oil and gas sector, while China has a variety of interests in Nigeria, oil and gas is its primary focus, China needs to secure a consistent supply of oil and gas for its rapidly expanding economy and avoid overreliance on Middle Eastern imports has made Nigeria's petroleum sector a prominent investment destination (Page, 2018; Omotoso, Kuti, Oladeji,2020).

Previously, China's access to Nigerian oil was mostly through long-term contracts and spot market purchases. However, in response to China's fast-increasing need for oil, the Chinese government has sought to boost Chinese ownership of Nigerian oil reserves. The Nigerian government, especially during Olusegun Obasanjo's presidency from 1999 to 2007, strongly supported China's interest in Nigerian oil, with a focus on giving "oil for infrastructure." Oil blocs were auctioned off in bidding rounds during Obasanjo's government, with Chinese bidders being asked to commit to large infrastructure projects in Nigeria. China eventually responded with three Chinese oil corporations, namely,the China National Petroleum Corporation (CNPC), the China Petroleum and Chemical Corporation (SINOPEC), and the China National Offshore Oil Corporation (CNOOC) operating in Nigeria. These corporations have contributed to a whopping US$713.4 billion as of 2015and $16 billion in 2019 alone.

Recently, Nigeria's partnership with China appears to have been extremely beneficial to her current infrastructure vision. Nigeria launched the concessionary “oil-for-infrastructure” agreement with China in 2006 to address the country's infrastructure deficit. As a result, Chinese investment in Nigerian infrastructure has been diversified, ranging from rail to road, ICT, hydropower, ports, and so on (Gold et al., 2017). In terms of rail transportation, China is heavily involved in the Abuja-Kaduna and Lagos-Ibadan lines. China donated a significant portion of the finances for both projects through loans and aid (Nwokedi et al., 2023). According to Katcha (2022), the Lagos-Ibadan train line was funded by a $1.3 billion loan from China's export-import bank, with the Nigerian government providing approximately $182 million in counterpart funding. Furthermore, Nigeria's Debt Management Office indicates that the $3.121 billion borrowed from China as of March 31, 2020, was intended for 11 major projects, including the expansion of the Abuja, Port Harcourt, Lagos, and Kano airport terminals, the rehabilitation and

upgrading of the Abuja-Keffi-Makurdi road, and the upgrading of the Lagos-Ibadan rail project, among others.

Furthermore, Nigeria has become a significant telecommunications market for China in recent years. The two largest businesses in Nigeria's telecoms sector are state-owned Zhong Xing Telecommunications Equipment Company (ZTE) and Huawei. These Chinese companies have gained a competitive advantage in Nigeria as a result of their lower prices. ZTE charges 30-40% less than European telecom providers, whereas Huawei charges 5-15% less than worldwide rivals such as Nokia and Ericsson (Ebede, 2017). ZTE began operations in Nigeria in 1999. It maintains offices around the country in Lagos, Ibadan, Port Harcourt, Kaduna, Bauchi, Jos, and Maiduguri, in addition to its handset plant in Abuja. To enlarge Nigeria's CDMA wireless communications network in seven Northeastern states, ZTE signed a contract with Nitel, the country's main telecoms provider, in 2005. They also agreed to provide 13,000 CDMA terminals and phones to Nitel under a contract. ZTE also won a $400 million contract to build a national security communications infrastructure in Nigeria in December 2010. The contract was funded by China's Exim Bank. Due in large part to their attractive pricing strategies and securing contracts for the expansion and improvement of the nation's telecommunications infrastructure and services, Chinese telecom giants like ZTE and Huawei have established a substantial presence in Nigeria (Egbula & Zheng, 2011).

Another key component of China's image-laundering strategy in Africa is her package of loans and aid, which seem to be in line with the continent's aspirations for growth and development. China started providing aid for global development in 1949 as a follow-up to the 1955 Bandung Conference of the Non-Aligned Nations, which supported the development of the Third World (Gold et al., 2017). China first provided aid donations to Nigeria in 1972 when it signed a "formal economic and technical cooperation agreement" with the nation. Since then, China has provided Nigeria with a great deal of material and financial assistance (Nwokedi et al., 2023). Furthermore, China's partnership with Nigeria has also resulted in the distribution of aid. In agriculture, Chinese experts are instructing Nigerian farmers on production-boosting technology and procedures. A South-South Cooperation effort between China, Nigeria, and the Food and Agricultural Organization (FAO) intends to deploy 500 Chinese experts to Nigeria to assist with food production and water management. More than 400 professionals have already travelled to Nigeria to assist with the construction of miniature dams. More Chinese technology and experience will be used with the primary goal of enhancing the production of cash crops (Egbula & Zheng, 2011).

Nigeria has also received multiple service-based aid initiatives from China. China provided Nigeria with medical experts, relief materials, and financial support during the COVID-19 pandemic in 2020 to help Nigeria combat the coronavirus. In late 2019, the pandemic emerged in China, quickly spreading worldwide, with Africa being the hardest-hit continent (Dickson, 2021). Additionally, China has extended multiple loan offers for various uses. Lately, projects have also been included in the China aid package. As one of the advantages of the Sino-Nigeria partnership, China has more recently funded the installation of solar-powered traffic lights in Abuja. Nigeria stands to gain significantly from the partnership. Over time, large sums of money have been disbursed for various objectives (Ahamefule, & Ufomba, 2023).

China's Investments, Nigeria's Economic Survival and African Diplomacy

China dominate virtually all sectors of the Nigerian economy, including oil and gas, manufacturing, construction, trade, and investment. The Nigerian market is saturated with various Chinese products, to the point where Nigerians now use, wear, and even eat in China (Ahamefule & Ufomba, 2023). China and Nigeria, the two economic powerhouses of Asia and Africa, have enjoyed a long-standing partnership. As beneficial as this partnership may be, China, as the senior partner, has benefited more. While the relationship benefits the Chinese economy, analysts are concerned about some of its detrimental effects on Nigeria's economy. Chinese multinationals SINOPEC, CNPC, and CNOON represent China's interest in Nigerian oil and gas, with a cumulative investment of approximately US$713.4 billion as of 2015,and $16 billion in 2019 alone (Ahamefule & Ufomba, 2023). The fact that the oil sector, which is the backbone of the Nigerian economy and generates over 80% of the country's foreign trade, is primarily managed by foreigners, particularly Chinese, undermines Nigeria's economic security and survival because it provides them with privileged access to information on the source of the relative success on which Nigeria's oil economy is based, as well as how much economy could be compromised if necessary. Nwokolobia & Ikenga, 2023).

China's oil multinationals, the CNPC and CNPCC, are getting juicy contracts and paving access routes into Nigeria's deep sea oil reserves. In Nigeria's Akpo oil field, CNOOC purchased a 45% share in OPL 246. According to the contract terms, CNOOC gets the lion's share of 70% profit, while Nigeria's NNPC receives a negligible balance of 30%. This type of transaction undermines Nigeria's economic survival. CNPC was granted licenses to four oil blocks (OPL 471, 721,732, and 298) in exchange for contributing to the estimated $2 billion Kaduna refinery renovation project. China's key purpose in these oil initiatives is to sustain its domestic economic growth by extending its market and obtaining access to explore and extract Nigeria's oil resources (Nwokolobia & Ikenga, 2023), with little or no attention paid to ensuring Nigeria's economy grows through the creation of local content. This is especially true about technology transfer and building the human capacity base for the country's oil and gas industry. (Ndubuisi, 2018).

Furthermore, President Obasanjo's strategy for deepening Sino-Nigeria relations was dubbed "Oil-for-Infrastructure," which involved giving oil contracts on favourable terms in exchange for China's willingness to deliver critical infrastructure development projects. President Yar'Adua opposed the move on the assumption of office, citing a lack of openness and profitability in the deals. This prompted the Yar'Adua government to suspend the majority of the oil-for-infrastructure contracts inked during Obasanjo's tenure (Ogunkola & Adewiyi, 2008). Oil is the mainstay of the Nigerian economy. When deals in this sector are struck under shady cover and in an unprofitable manner, the nation's economy is put at high risk of survival.

Chinese investments in Nigeria's construction industry, worth around $115.41 billion, are controlled by four big companies: CCECC, CGC, SINOMA, and CSCEC. The CCECC constructs railways, highways, and bridges, whilst the CGC builds airports and water supply projects like dams. SINOMA produces cement, whereas CSCEC specializes in real estate construction. The influx of Chinese companies into Nigeria has forced many nascent Nigerian companies out of business, resulting in job losses and personal risks to workers' economic survival (Raji & Ogunrinu, 2018). In Kano state, for example, the presence of Chinese textile enterprises rendered over 28,000 Nigerians jobless as of 2015, as the company caused the closure

of numerous local companies because local companies were unable to compete with the Chinese companies (Osimen & Micah, 2022). According to a 2019 report released by the Chinese embassy, Nigeria is home to 70 Chinese construction enterprises as of 2016. In 2018 alone, Chinese companies were awarded 175 construction contracts worth $17 billion in Nigeria. Many of these projects mainly engaged Chinese expatriates (Nwachukwu, 2021). An economy in which local content involvement is shrinking by the day, local job loss is increasing, and expatriate quotas are rising geometrically, along with flagrant noncompliance with the avowed technology transfer, is in peril. China-Nigeria ties in this respect undermine Nigeria's economic survival.

China and Nigeria have an unequal and lopsided trade relationship causing difficulties with trade, balance of payments, and national debt, among others. China reaps greater long-term benefits than Nigeria. According to The Guardian's study of National Bureau of Statistics (NBS) trade data, Nigeria spent N19.12 trillion on Chinese imports between January 2018 and September 2021. Imports are regarded as leakages in any economy, therefore economists have interpreted the increasing Chinese influence in the local market as a serious drain and huge loss on the struggling Nigerian economy (Nwokolobia & Ikenga, 2023).Nigeria managed to export only N2.09 trillion worth of products to China during the above-specified period, resulting in a whopping N17.03 trillion trade deficit. Based on data from a joint platform of the China Africa Research Initiative and John Hopkins School of Advanced International Studies, the value of Nigeria's imports from China has increased by at least 400% in the last ten years, 2009 - 2019, and by 4,200% in the last twenty years, 1999 - 2019 (Iyatse, 2021). In other words, the value climbed 42 times between 1999 and 2019, when the research organizations provided the most recent data on the matter (Nwokolobia & Ikenga, 2023). These transaction figures threaten Nigeria’s economic survival, particularly in the long run.

This unfavourable Sino-Nigeria trade picture has become a huge political issue as China’s exports amount to almost 80% of overall bilateral trade volumes. This has created a significant trade deficit, with Nigeria importing 10 times more than it exports to China. This makes Nigeria's economy overly dependent on cheap imports to sustain it, occasioning a decline in Nigerian industries under such conditions. Nigeria's trade deficit stood at NGN 588.7 billion in December 2020; followed by a 1.1 USD billion deficit in September 2021. The trade deficit increased to NGN 2,731 billion from NGN 579 billion in the same period of two years. Nigeria's trade deficit in 2020 totalled NGN 7,375 billion (Osimen & Micah, 2022). It is also evident that some Chinese imports, such as paper, plastics, and rubber are goods that Nigeria can produce locally. However, due to Nigeria's over-reliance on Chinese imports, it is difficult to consider producing these goods domestically. This leads to a situation where there is a trade imbalance between the two nations and China gains significantly from business dealings. Thus, the majority of Nigeria's imports from China are valued in the billions and millions, while its exports are valued in the millions and thousands, sometimes as little as $3,023 in a trading year (Ahamefule & Ufomba, 2023).

Research shows that 70% of goods in Nigeria are from China while Nigeria is only able to export 30% of its goods (Osimen & Micah, 2022).To make matters worse, Nigerian products find it difficult to compete with Chinese goods in the Chinese market, which threatens Nigeria’s ability to remain economically viable in the face of China's hegemony. Accordingly, China's GDP in the 2019 fiscal year was valued at a staggering $14.343 trillion, whereas Nigeria's GDP

in the same year was valued at a meagre $448.12 billion (World Bank Group, 2020). Nigeria needs to strengthen its internal capabilities to effectively compete in the competitive landscape with China. Although Chinese investments in Nigeria are enormous, their developmental impact on the nation's economy is doubtful because a large sum of the profits are repatriated to China rather than being used for local reinvestment. This is detrimental to Nigeria's economic survival and prosperity. Chinese investments in areas such as oil and gas, power, telecommunications, and construction have increased Nigeria's dependence on Chinese telecoms technologies, rather than encouraging the development of local manufacture through technology transfer. This lack of diversity and innovation jeopardizes Nigeria's economic sustainability, self-sufficiency and survival (Raji & Ogunrinu, 2018).

Despite being West Africa's top recipient of Chinese FDI, Nigeria remains heavily reliant on the importation of Chinese manufactured goods while exporting low-value products. This never-ending cycle has strengthened Nigeria's attachment to its trading partner. In the same vein, China's huge loans are gradually pulling Nigeria into a pool of debt and, eventually, a helpless kind of dependence in which China uses Nigeria as a puppet in pursuit of her national interests (Oluwabiyi & Duruji, 2021). Concerns have been raised about the mounting debt weight of Chinese loans and uncertainty about the government's capacity to repay such loans. The Debt Management Office alarmed that Nigeria borrowed USD 3.121 billion from China as of March 31, 2020, accounting for 3.94% of the nation's total debt of USD 79.303 billion (DMO, 2021). The Federal Government is said to have borrowed over $4.6 billion from China (Aliyu, 2021). Others have also expressed fears that the Chinese would use these loans to seize control of critical sectors of the Nigerian economy. According to a recent report by the German Kiel Institute for the World Economy, China places stringent conditions on borrowing countries as the largest global lender to developing countries. These conditions provide Beijing with excessive influence over the economic policies of the borrowing nations, which may increase China's firm grip over some important sectors of borrowing nations (Iyatse & Onyekwere, 2021).

Undoubtedly, Chinese products have become commonplace in the Nigerian market. Nigeria has become a dumping ground for poor Chinese-made products. Indeed, the products utilized by the Chinese differ significantly from those imported into Nigeria. The dominant presence of Chinese products in Nigeria has saturated the market with a large number of low-quality, short-lived products, particularly electrical and electronic equipment. This could be interpreted as a Chinese deliberate ploy to encourage repeated purchase of their inferior products thereby weakening the saving power of the Nigerian consumer (Ahamefule & Ufomba, 2023). Nigeria's economy depends heavily on China; with a substantial portion of electronic imports coming from China due to lower costs than European imports. As a result, many Nigerian middle-market industries struggle to sell their products due to higher manufacturing costs, and limited infrastructure; placing local businesses in danger of failure in the face of fierce competition from Chinese imports. Furthermore, the harsh treatment of Nigerian workers in Chinese firms contributes to their economic unsustainability, with cases of underpayment, overwork, and unjust dismissals (Raji & Ogunrinu, 2018).

Conclusion

China-Nigeria relations officially resumed in 1971 and become intensified as China's engagement in Africa increased. Bilateral economic relations between the two giants of Asia and Africa went on slowly but steadily in several critical sectors of the Nigerian economy, including

oil and gas, manufacturing, construction, telecommunication, and trade and investment. Nigeria is China's biggest trading partner been Africa's highest recipient of Chinese investment.The paper reveals that Chinese investments in vital sectors of the Nigerian economy have tremendously expanded over the years, resulting in intense competition between weak indigenous industries and Chinese multinationals. This negative situation places high risks on Nigeria's economic survival, as its economic growth is hampered and its nascent industries grossly undermined due to stronger competition from China.

Similarly, a massive increase has taken place in the Sino-Africa interactions with Nigeria at the forefront, as the highest recipient of Chinese investment in Africa. Evidence suggests that some benefits accrue to Nigeria and indeed other African states in infrastructure development, aid support, and so on. However, just as in China-Nigeria relations, there exists a disequilibrium as the benefits of the Sino-Africa relations are heavily skewed in favour of China with detrimental implications on African economies. The paper therefore calls for not only a Nigerian renewed approach but a collective paradigm shift in African economic diplomacy towards China if African states must secure their economic survival relating to hegemonic China. There must be a concerted effort to develop local industries and boost domestic production to favourably compete or resist China's economic hegemony in Africa. Therefore, the following recommendations could serve as useful African strategies.

Recommendations

1. Developing and bolstering indigenous industries should be Nigeria and Africa's top priorities to make them more competitive against Chinese imports. Incentives, better infrastructure, and encouraging innovation and technology transfer can all help achieve this. Nigeria and every other African state must re-examine and improve their trade laws and policies to guarantee fair competition. They also need to adopt protectionist measures to shield emerging indigenous industries from unfair trade practices. Imposition of tariffs or restrictions on certain imports may be necessary to deter dumping and encourage domestic production to increase the continent's global market share.

2. Nigeria and Africa need to quickly learn from China the difficult routes to become successful. Given this, rather than hallucinating that China will bring development, African leaders must wake up and create the development they need. Africa needs to industrialise and destroy the yoke of being a consumer continent to one that produces while orienting the public to purchase "made in Africa" goods. For "made in Africa" goods to remain competitive, the governments must prioritize standard regulatory oversight of products that are not compromised by corruption, and generate a constant power supply.

3. It is high time Nigeria and indeed Africa sought strategic collaborations with Chinese businesses that support value addition, skill development, and knowledge transfer to Africa. In the long run, this would allow Africa to benefit from Chinese expertise without losing ownership and control.

4. Nigeria and Africa must urgently renegotiate practicable technology transfer agreements in critical areas like manufacturing, telecommunications, oil and gas, and power. This would allow the continent to grow its industries, minimize dependence on imported technologies, and promote economic diversification. As a result, African governments should emphasize investment in science education and research to build human capital to develop a competent

labourforce and foster innovation. Technology transfer if becomes a reality without corresponding capable manpower to sustain it, poses more problems.

5. Lastly, African economies like Nigeria must increase their productive levels via government policy to diversify the economy to lessen its overreliance on oil and strengthen its defence against external shocks. This entails making investments in industries such as manufacturing, agriculture, renewable energy, and technology, with the capacity to boost productivity, generate employment, and propel accelerated and sustained economic growth.

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