



Nigeria/China Politico-Economic Relations and The Challenges of Economic Development in Nigeria, 2015-2022

**Anyalebechi, Shammah
Mahakwe, PhD**

shammah.anyalebechi@ust.edu.ng / smanyalebechi@yahoo.co.uk
Department of Political Science, Rivers State University, Nkpolu-
Oroworukwo, Port Harcourt, Nigeria

ABSTRACT

The diplomatic ties between Nigeria and the People's Republic of China have extended over six decades, becoming increasingly significant as Nigeria navigated the international backlash against its military regimes from the 1970s through 1998. As China's economy burgeoned, driven by a voracious need for oil and petroleum, Nigeria emerged as a key partner, supplying these crucial resources. In return, China offered Nigeria substantial support across economic, military, and political spheres, cementing a formidable bilateral relationship. Despite the flourishing ties, Nigeria's economic interactions with China were impeded by an underdeveloped industrial infrastructure, a longstanding obstacle to Nigeria's economic progress. Successive Nigerian administrations have endeavoured to overcome these challenges. The research under review focused on the politico-economic dynamics between China and Nigeria from 2015 to 2022, analysing them through the lenses of interdependency and unequal exchange theories. Employing a historical and descriptive methodology, the study harnessed secondary data from diverse sources including books, newspapers, digital platforms, periodicals, conference proceedings, unpublished reports, government documents, magazines, and academic journals, all analysed via content analysis. The findings highlighted that the relationship has substantially benefited Nigeria, bringing crucial development aid and investments that have catalysed economic growth. Chinese investments, in particular, have been instrumental in advancing Nigeria's development agenda, while the influx of Chinese tourists has notably boosted national revenue. Nevertheless, the relationship has faced challenges such as corruption and governance opacity. Given the historical benefits of their economic collaboration, it is recommended that both nations further enhance their partnership through additional Memorandums of Understanding (MoUs) and investments in energy projects, continuing to build on past successes for mutual advantage.

Keywords:

National Development, Investment, Political-Economic Relations

Introduction

The Peoples' Republic of China is sometimes referred to as a modern-day miracle and continues to draw the attention of the entire world for the remarkable progress it has made in economic development. In 1980, China joined the World Bank and the International Monetary Bank, and since then more foreign investment came in. As it steered its economic recovery, China's foreign policy stressed the development of friendly relations with other nations paying little regard to their social systems or ideological orientation. The principle of peaceful co-existence was reiterated as the basis for its foreign relations (Muekalia 2004, p.2).

With Deng Xiaping's reform policies of the 1970s and 1980s, China's dramatic growth and modernization and attendant industrial, energy and market expansion needs brought it into greater contact with Africa (Utomi, 2009, p.2). This new expanded presence offered a partnership seen by Nigeria as an alternative model to Western relationships mainly from Europe, America and Canada. This resulted in the establishment of diplomatic relations at ambassadorial level in 1971 (Utomi 2009, p.2), and since then it has achieved a smooth and steady development.

Politics is the set of activities that are associated with making decisions in groups, or other forms of power relations among individuals such as the distribution of resources or status within or outside the state (Leftwich, 2015). Political relation is the official relationship between two or more countries which anchored on the recognition of the existence of a sovereign state within a defined border. Political relationship between states snowballs into trade, military and cultural relations. Political relation is crux of other relations. It focuses on the recognition of State sovereign right of existence which necessitate legitimate assistance when the need arises.

Nigeria and the People's Republic of China established formal diplomatic relations on February 10, 1971 (BBC 2014). Relations between the two nations grew closer as a result of the international isolation and Western condemnation of Nigeria's military dictatorships (1970s-1998). Nigeria has since become an important source of oil and petroleum for China's rapidly growing economy and Nigeria is looking to China for help in achieving high economic growth; China has provided extensive economic, military and political support to Nigerian State. These were made possible through a robust political and economic relations between China and Nigerian States.

Nigeria has a long pro-west tradition due to its colonial past, which only sees a short break during the year of military rule of Sani Abacha. Following the economic sanctions against the Abacha's regime led by the United States and Britain, the Nigeria government in 1994 decided to shift her trade relations towards the east particularly China. The shift of trade relations from Nigeria's traditional allies to Asia is not unconnected to the strained relationship between Nigeria and west which borders on the dictatorship of General Sani Abacha and his unwillingness to hand over power to democratic government. Since the country needed trade partners, and assistance from other developed countries, efforts were made by the government to establish better relations with other powerful countries. China was therefore chosen by the Abacha's administration.

In 2001, the two nations consented to arrangements on the establishment of a Nigeria Trade Office in China and a China Investment Development and Trade Promotion Center in Nigeria. The intergovernmental Nigeria-China Investment Forum was then established in 2006. From less than USD 2 billion of every 2000, trade among China and Nigeria came to almost USD 18 billion only ten years after. Around 2003 and 2009, Nigeria was a top goal for Chinese Foreign Direct Investment on the continent, second just to South Africa. Its attractions are clear: immense energy reserves and a huge domestic market of 150 million occupants with developing expendable earnings. This neck profound relation is justifiable since Nigeria had quite recently liberated itself from the status of pariah state which Nigeria's oppressive military autocracy forced on it (Udeala, 2010).

In 2004, the volume of trade grew by 17.6 percent, with Nigeria's exports to China registering a growth of 330 percent (Big-Alabo, 2019). China's main exports to Nigeria are light industrial, mechanical and electrical products. China's main imports from Nigeria are petroleum, timber and cotton (Akongbowa, 2009, p.9). As a resource rich country, Nigeria's economic performance has been driven by the oil and gas sector (Ogunkola, 2008, p.7). The agricultural sector has been neglected leading to food imports. The decline in the performance of the agricultural sector has been dramatic since the discovery of oil. The manufacturing sector has not performed even better. It has been recognized that sustainable development of the Nigerian economy rests on the diversification of the economy away from oil and gas to non- oil sector and this should be based on the country's abundant resources and comparative advantage (Ogunkola, *et al.* 2010, p.68).

In May 1999 when Nigeria returned to constitutional democracy, President Obasanjo visited China twice in 2001 and 2005 respectively with his Chinese counterpart reciprocating both visits. The visit led to the signing of series of bilateral agreements on trade, economic and technological cooperation as well as on investment protection (Nuhu, 2012, p.8). In the same vein, in 2008 at the invitation of President Hu Jintao of the People's Republic of China, late President Umaru Musa Yar'Adua paid a state visit to the People's Republic of China from 27 February to 1 March 2008. President Yar'Adua and his entourage were warmly received by the government and people of China. During the visit, the two Presidents reviewed the sound growth of China-Nigeria relations since the establishment of diplomatic relations. They expressed satisfaction at the evolving strategic partnership and the momentum of the ties between their two countries in recent years, and decided to step up consultation between the two governments by launching a strategic dialogue in due course to promote the in-depth growth of bilateral relations. The two leaders acknowledged the steady rise in the volume of trade, economic and technical cooperation between the two countries and pledged to further deepen and expand their mutually beneficial bilateral cooperation. They agreed to promptly hold meetings of the joint commission between the two countries to take stock of achievements in bilateral trade and economic cooperation and plan future cooperation (Ministry of Foreign Affairs, the People's Republic of China, 2014)

President Hu Jintao pledged China's support for President Yar'Adua's programme of economic and social transformation of Nigeria as reflected in the Seven Point Agenda. On his part, President Yar'Adua applauded the remarkable achievements China has made in economic and social development and reaffirmed Nigeria's commitment to the one-China policy. The two Presidents reviewed developments in Africa and stressed the vital importance of enduring peace and stability to the progress and prosperity of the continent. The Chinese side hailed Nigeria's long-standing role in the cause of peace in Africa and the Nigerian side applauded the contribution made by China in support of the efforts of the African Union in the peaceful resolution of conflict situations in Africa. In this regard, the two leaders called for greater support of the international community to facilitate the early deployment of the African Union-United Nations hybrid peacekeeping force in Darfur (Ministry of Foreign Affairs, the People's Republic of China, 2014)

The Presidents underscored the essential nature of Africa-China cooperation. They reiterated that the two sides will continue to work to advance the new type of China-Africa strategic partnership featuring political equality and mutual trust, economic win-win cooperation and cultural exchanges and mutual learning, and expressed the view that the Forum for China-Africa Cooperation (FOCAC) and the policy measures the Chinese Government adopted to strengthen pragmatic cooperation with Africa have provided a viable framework and strong support for promoting the mutually beneficial cooperation between China and Africa. President Hu Jintao and President Yar'Adua agreed to maintain regular contacts between Nigeria and China. The two leaders affirmed that such consultations and dialogue at the highest level were imperative at this time when the two countries seek to continue to play a positive role in regional and global affairs. At the conclusion of the discussions, President Yar'Adua extended an invitation to President Hu Jintao to undertake a state visit to Nigeria. President Hu expressed thanks to President Yar'Adua for the invitation (Ministry of Foreign Affairs, the People's Republic of China, 2014). Furthermore, the successor to Umaru Yaradua, President Ebele Jonathan, paid a similar five days visit to China in 2013. During Jonathan's visit, a number of agreements were signed between the two countries. They include a lending pact between China's Import-Export Bank and the Nigerian Ministry of Finance for the expansion of four airport terminals. Agreements were also signed on visa regulations, legal issues involving the import and export of cultural properties, and economic and technical cooperation with a view to fast tracking business relations (African Business, 2013). First Bank of Nigeria, one of the leading banks in the country, also signed an agreement with China Development Bank to support small and medium enterprises (SMEs) in Nigeria with an on-lending facility of \$100m (African Business, 2013).

Jonathan used the trip to reinforce bilateral relations between China and Nigeria and to reach out to key players in the Chinese economy, whom he invited to invest in Nigeria, which he described as the preferred investment destination in Africa. He said: "Nigeria today is like China 20 years ago. It is entering into a high growth phase. The economy is suitable for private sector involvement; we offer the best incentives and we have put the right structures in place to reduce the cost of entry into Nigeria. All of this is to encourage private sector participation in Nigeria" (African Business, 2013, p.2).

The annual bilateral trade between both countries rose from \$2bn in 2002 to \$13bn in 2012 (African Business, 2013). President Jonathan said this exponential growth reflects the growing importance of Nigeria to China, adding that the need to further strengthen this mutually beneficial relationship informed the visit, (African Business, 2013). He also said the decision of the Central Bank of Nigeria (CBN) to convert part of Nigeria's foreign reserves from US dollars to the yuan, the Chinese currency, was part of the government's strategy to consolidate this bond. He said: "The trade between Nigeria and China accounts for nearly one third of the trade between China and West Africa, and this will continue to grow bigger, indicating the importance of Nigeria to China in the regional market. Beyond trade, China has been instrumental to supporting Nigeria with financial arrangement and investment in strategic infrastructural projects like rail, road and free trade zones, among others" (African Business, 2013).

Also, in 2018, President Buhari, visited Beijing. During the six-days visit to China, Buhari held bilateral talks and witnessed the signing of some agreements between Nigeria and China in the areas of Information and Communication Technology (ICT) and the economy. He also participated in the High-Level Dialogue between Chinese and African leaders and business representatives. Furthermore, at the **Forum on China-Africa Cooperation (FOCAC) summit held in Beijing, China (2018)** with the theme: "China and Africa: Towards an Even Stronger Community with Shared Future through Win-Win Cooperation," members agreed to commit themselves to the Belt and Road Initiative of the Chinese government which seeks "to promote collectively, among one another, extensive consultation, cooperation and ensure shared gains" (The Sun Newspaper, 2018). Under the new China policy, China and Africa will work in concert in world bodies such as the United Nations, World Trade Organisation and G77+China. They will work together in the pursuit of the UN Sustainable Development Goals, Agenda 2063 of the African Union as well as support individual nation's development plans. One of the laudable aspects of the new Afro-Sino relations is Chinese commitment to non- interference in the internal affairs of members and its pledge to support development efforts without attaching political strings.

President Muhammadu Buhari's powerful delegation at the summit included senators, state governors, and the Ministers of Finance, Transportation, Power, Works and Housing, Budget and National Planning, Petroleum and Industry, Trade and Investment, and Minister of State for Aviation. The highlights of the deals signed with China included the \$328m financing agreement for the National Information and Communication Technology Infrastructure Backbone by the Minister of Finance, Kemi Adeosun, and Wang Xiaota, the Director General, China International Development Cooperation Agency. President Xi Jinping's promise to build the country's largest hydroelectric power plant in Mambila; the building of Nigeria National Petroleum Corporation, Ajaokuta-Kaduna-Kano (AKK) gas pipeline at \$2.8bn; the \$2bn textile manufacturing industries to be located in Katsina, Kano, Abia and Lagos; and the \$1.5bn energy and organic fertilizer that will cover Abuja, Niger, Nasarawa, Kaduna and Kano and generate: 300MW of electricity, 500,000 tonnes of organic fertilizer, 60,000,000 litres of oil from pyrolysis, create 10,000 jobs, 400 garbage collection trucks, various types of city sanitation equipment and deployment of one million waste bins. This visit had changed the trajectory of Nigeria-China trade relations. Although some see it as another wave of colonialisation of the continent. Nevertheless, the trade relation between the two countries has positive impact on the social economic development of Nigerian State (Utomi 2019).

For Nigeria, incentives lie in China's very own fruitful economic transformation, its ability to deliver large scale infrastructural projects and, all the more significantly, its capacity to fund them. While at first driven by its immense interest for energy resource, China's involvement in Nigeria has since expanded a long ways past oil. China's public and privately owned businesses are making forays into Nigeria's manufacturing and information and communication technologies sectors.

They are developing two extraordinary economic zones within Nigeria and are building new streets, railroads and airplane terminals across the nation. China is additionally known for its strategy of offering unconditional aid what it calls "co-operation" to help in arriving at improvement objectives. With an end goal to boost Nigeria's agricultural yield, several Chinese pros are bringing new procedures and innovation to bear. Recent improvements in China and Nigeria relationship are not detached with the renewed ties between the two mammoths.

Despite the fact that, China and Nigeria set up diplomatic tie in 1972, the last three or so decades have seen remarkable renewed positive and mutually beneficial improvements. In fact between 1999 and 2018, diplomatic visits and signing of Memorandum of Understanding at the most astounding level were recorded. The two nations stand to gain essentially from their economic commitment; however, a couple hindrances could block advance. Nigerians have expressed disappointment with the work practices of Chinese companies, the nature of cheap imported products and the effect of those imports on domestic producers. Despite the fact that Chinese investors are less risk disinclined than others, Nigeria's political capriciousness could in the end discourage them from continued investment. In spite of questions on the attribution of responsibility regarding fake and pirated products, the two nations keep on affirming their shared fellowship and cooperative attitude (Utomi 2009; Kwanashie, 2010).

It is true that China's bilateral relationship with Nigeria is getting better by the day unlike the situation during the immediate post-colonial era. However, many Nigerians are skeptical and worried about the trade relation with China. Chinese goods especially textiles are floating the Nigerian market on a daily basis; most of these cheap goods are of low quality. Some Nigerians have accused China of dumping cheap Chinese product into the local market. On its part, China also has some complains over doing business in Nigeria because of problems of insecurity arising from armed robbery and violence/lawlessness. Second, the high cost of operation due to inadequate power and water supply, the bad state of telecommunications and infrastructure, poor police work in crime investigation are some of the identified challenges bequeathing Nigerian-China economic relations (Bukarambe, 2015). However, the major point of contention is how does Nigeria-China trade relations improve the standard of living of the people who are the center of social and economic transformation? Could this trade relations turn to another wave of colonialisation of Nigerian State? Therefore, this study seeks to appraise Nigerian-China economic relations, 2015-2021.

Statement of the Problem

Overtime, it has become a noteworthy of cognizance, to critically look beyond the peripheral appearance of relationships that exists between nations state in the international system, in a quest to vividly understand the reasons for friends and foes in the international system. As a result of globalization majorly taking sway in the 21st century, interdependencies have further deepened and nations state also adjusting to the trends and dictates of it. For Nigeria to adjust to globalization, China became an apparent helping hand and a necessity. However, in as much as the relationship seems irresistible, the basic problem of sincerity of intentions still plays a limiting factor. Thus, it becomes important to look at the how apt the relationship is on a win-win side. Analysis shows that hegemonic stance of China in international politics has allowed it benefit more from relating with struggling African countries whom usually because of their internal politics stay at the bottom of the food chain. Thus, given the internal dynamics of Nigeria politics that features corruption as its shortcoming and has overtime formed a cliché in the Nigerian political milieu, the possibilities of achieving a win-win situation has really been hampered.

Also, the expansion of Nigeria's economic interactions with China is constrained by the inadequacy of the industrial infrastructure for the promotion of relations (Samuel 2010, p.73). Nigeria's underdeveloped infrastructure is often seen as one of the major impediments to economic development, and successive governments have made concerted efforts to rectify the situation (Egbula & Zheng 2011, p.14). Therefore, this study seeks to appraise the Sino-Nigeria politico-economic relations, 2015-2021. Specifically, the paper seeks to:

- i. assess the area of politico-economic cooperation carried out between China and Nigeria
- ii. appraise the impact of Sino-Nigerian political-economic relations on the socio-economic development of the Nigerian State
- iii. examine the challenges and prospects of Sino-Nigeria politico-economic relations

Theoretical Framework

The study was anchored on Interdependence theory. The theory was first introduced by Harold Kelley and John Thibaut in 1959 in their book, *The Social Psychology of Groups*. This book drew inspiration from social exchange theory and game theory, and provided key definitions and concepts instrumental to the development of the interdependence framework. Interdependence theory assumed that states are not the only actors in international politics and those actors such as trans-national corporations, non-governmental organizations, individuals, etc. are also actors in the international system (Van Lange, & Balliet, 2014). Joseph Nye raises an interesting theory of modern international relations through his concept of complex interdependence. Nye describes interdependence in an analytical sense, as situations in which actors or events in different parts of a system affect each other (Nye, 2009). Nye continues his definition of interdependence by stating that the results are often varied and although the potential for benefits exist, the potential for tragedy exists as well. Despite this potential for varying results Nye also notes that it is very difficult and very costly for a country to try and cut itself off from the world, such as Myanmar or Albania did. According to Nye (2009), interdependence can be divided into four separate dimensions, which are its sources, benefits, costs, and symmetry. These dimensions can originate in both the physical and social aspects of society.

The idea of economic interdependence is an idea that cannot be disputed as a reality in this modern world. According to Nye, "economic interdependence involves policy choices about values and costs." These policy choices are based most often on the ideas of supply and demand; in the sense that what one country cannot supply for its citizens, can be supplied through trade with another country. These policy decisions however, are quite often not as simple as just supply and demand, but instead are largely dependent upon the distribution of resources, especially those resources considered to be "power resources". In Nye's explanation of complex interdependence, he is very quick to point out that in and of itself, interdependence is neither a good thing nor a bad thing.

The results of economic interdependence can be extremely varied in the distribution of gains for those nations involved. Economic interdependence can be viewed from a positive angle for bringing countries closer together and forcing them to act in a more cooperative manner. This can most obviously be seen today in the international relations of America with most Western European nations, such as England, the Netherlands, Germany, and even France. These countries acknowledge the interdependence between them, and often attempt to create policy that will foster those relationships in becoming partnerships. He also posited that as with any decision or any theory, there are certain benefits and certain costs associated with it; economic interdependence is no different in this respect.

However, the benefits created by complex interdependence, with economic interdependence as a main aspect has proven more often than not to be beneficial for all parties involved. In this modern day and age, technology is expanding at such a rate, that the distance between countries is seemingly getting smaller and smaller, not only in the respect of travel for people, but also of information. It holds that there is no hierarchy of issues in the international system meaning all issues with international outlook

are important, particularly those that borders on world peace, progress and development and that force or use of violence is not an acceptable means of defining, interstate relations. The theory dismisses war as an instrument of state policy utilized to achieve state objectives. The theory of interdependence basically emphasizes relationship of mutuality, and inter-dependence among nation-states rather than isolationism. The interdependence theory was adopted because it best captures the essence of this project work, and would provide valuable insights into nature of trade and economic relations between Nigeria and China.

In the application of the theory to the study, we noted that Nigeria-China trade relations are borne out of the fact that none of the two countries possesses absolutely the means of their existence. Hence, they have to enter into some form of interdependence upon on another to secure unevenly naturally endowed resources. There exists a form of complementarities between the two countries. For instance, China as an industrializing economy requires the services of the energy that comes from oil (petroleum) and Nigeria on the other hand as an underdeveloped economy requires the products that come from these Chinese companies in order to satisfy the demands of its population. It therefore becomes imperative that the two countries interact and transact across borders.

Discussion

Political and Economic Cooperation between China and Nigeria

Political and economic cooperation between China and Nigeria has been on the rise in recent years. This is evidenced by the increasing number of bilateral agreements and the growing trade and investment between the two countries. Therefore, the heading systematically analyses the political and economic cooperation between Nigerian and China

Political cooperation

Political cooperation between China and Nigeria is an important factor in improving the bilateral relationship between the two countries. China is Nigeria's largest trading partner and the two countries have enjoyed a close relationship since the establishment of diplomatic ties in 1971. Over the years, China and Nigeria have worked together in several areas, such as trade, investment, and infrastructure development (Anyalebechi & Hart, 2024).

In 2019, China and Nigeria signed a Memorandum of Understanding (MOU) to further strengthen the political cooperation between them (China-Nigeria Diplomatic Relations, 2019). This MOU was a continuation of the Comprehensive Strategic Partnership (CSP) established in 2006, which has been pivotal in furthering cooperation between the two nations in a range of important areas. Notably, this MOU stresses the importance of cooperation in economic and development-related activities, as well as in diplomatic, security, and cultural affairs.

Since 2006, the relationship between China and Nigeria has grown significantly. In the economic sphere, China has become Nigeria's largest source of imports, with a trade volume of \$14.3 billion in 2018. In the same year, Nigeria exported \$5.8 billion worth of goods to China (China-Africa Research Initiative, 2018). In addition, Chinese companies have invested significantly in various sectors in Nigeria, including oil and gas, manufacturing, telecommunications, and infrastructure development (Anyalebechi & Hart, 2024).

In the diplomatic sphere, the two countries have held regular political dialogue, with the 10th session being held in Nigeria in 2018. This meeting focused on deepening bilateral relations, as well as discussing regional and international issues of mutual concern. In addition, the two countries have collaborated on a number of initiatives, such as a new Consular Agreement in 2018, which provides a framework for consular activities and services between the two countries (Ministry of Foreign Affairs of the People's Republic of China, 2018).

The MOU is an important step forward in the relationship between China and Nigeria, as it provides a framework for the two countries to work together on a range of important issues. It is expected that this MOU will lead to further cooperation in the economic, diplomatic, and security spheres, and will strengthen ties between the two countries.

The MOU outlined a number of areas for further cooperation, including trade and investment, infrastructure development, and social and cultural exchanges. The two countries have also agreed to explore ways to deepen their cooperation in areas such as maritime security and the fight against terrorism.

In recent years, China and Nigeria have been working together to promote the African Union's Agenda 2063 and the African Continental Free Trade Area (ACFTA). In 2019, the two countries organized a High-Level Workshop on the ACFTA to "exchange views on the opportunities and challenges posed by the African Continental Free Trade Area and work together to promote the realization of the goals of Agenda 2063" (China and Nigeria Strengthen Cooperation on African Integration, 2019). The workshop aimed to "establish a platform for cooperation between China and Nigeria in the African market, promote the development of the African Continental Free Trade Area, and create a broader market for bilateral economic and trade cooperation" (China and Nigeria Strengthen Cooperation on African Integration, 2019).

The ACFTA was established in 2018 with the goal of creating a single market in Africa with free movement of goods, services, and capital. Its objectives are to facilitate trade and investments, reduce poverty, and promote economic growth and development in the region (Larabi, 2020). The Chinese government has been an active participant in the development of the ACFTA and has expressed its commitment to providing support for the initiative. For example, in 2018, the Chinese government hosted the China-Africa Investment Forum in Beijing, where it proposed to provide \$60 billion in aid and investment to support the African Union's Agenda 2063 and the ACFTA (Xinhua, 2018).

In addition, the Chinese government has been actively involved in the development of Nigeria's economy. In 2017, the Chinese government provided a \$40 billion loan to Nigeria to support its economic development, and the two countries have established a Joint Economic and Trade Commission to promote bilateral economic and trade cooperation (China-Nigeria Trade and Investment, 2018). The Chinese government has also provided technical assistance and training to Nigerian businesses and professionals, as well as offering capacity building programs for Nigerian government officials (China-Nigeria Trade and Investment, 2018).

In 2020, China and Nigeria signed a joint communique to further strengthen their cooperation on the African Union's Agenda 2063, a long-term continental plan for sustainable development. This was highlighted during the Summit of the Forum on China-Africa Cooperation (FOCAC) in Beijing, China, in September 2020 (China and Nigeria Sign Joint Communique to Further Strengthen Cooperation on African Union's Agenda 2063, 2020). The two countries have agreed to focus on economic and social transformation, poverty reduction, and green development, as well as to promote sustainable and inclusive economic growth.

The communique is a recognition of the importance of both countries to the development of the African continent and a commitment to strengthening their relationship. The two countries will also cooperate on health, education, science and technology, human resources development, and industrialization. Additionally, they will collaborate in the areas of infrastructure, agriculture, and the environment.

The partnership between China and Nigeria will also focus on improving transportation and communication networks, and promoting regional trade. Nigeria is the largest beneficiary of China's investment in Africa, receiving \$2.6 billion in the first quarter of 2020 (China-Africa Investment Tracker, 2020). This joint communique will help both countries to further their mutual interests in the region and advance Agenda 2063.

China and Nigeria have also agreed to support the implementation of the African Continental Free Trade Area (ACFTA) and its implementation plans, which will enable African countries to benefit from

increased trade and investment. This agreement is part of China's commitment to promoting regional integration and deepening economic ties between African countries (China and Nigeria Sign Joint Communiqué to Further Strengthen Cooperation on African Union's Agenda 2063, 2020).

The two countries have also agreed to strengthen their collaboration in the areas of security and peacebuilding, disaster relief and humanitarian assistance, peacekeeping, and counter-terrorism. This joint communiqué reflects the growing importance of China and Nigeria in the African Union and the commitment of both countries to promoting the African Union's Agenda 2063.

Additionally, China and Nigeria have been working together for years to promote regional integration in Africa. In 2016, Nigerian President Muhammadu Buhari and Chinese president Xi Jinping signed a joint communiqué to "further strengthen the mutually beneficial cooperation between the two countries in various fields, including regional integration and Africa's development agenda" (Nigeria-China Sign Joint Communiqué, 2016). The two countries have since collaborated on several projects, both in terms of infrastructure development and economic cooperation (Anyalebechi & Hart, 2024).

In 2017, China and Nigeria agreed to cooperate in the development of the Mambilla hydropower project, a 5,000-megawatt energy plant that is expected to provide electricity to almost three million people (Nwachukwu-Agbada, 2017). The project, which is expected to cost \$5.8 billion, will be the largest hydroelectric power station in Africa. Additionally, the two countries have agreed to cooperate on the development of a new railway line, connecting the cities of Lagos and Calabar, and a fiber-optic cable system that will link Nigeria to the rest of the continent (Nwachukwu-Agbada, 2017). These projects are expected to help facilitate trade and economic growth in the region.

In addition to infrastructure development, China and Nigeria have also been working together to promote economic development in Africa (Anyalebechi & Hart, 2024). In 2017, the two countries signed a memorandum of understanding that aimed to enhance economic cooperation between the two countries, with a focus on "trade, investment, finance, science and technology, agriculture, tourism and culture" (Nwachukwu-Agbada, 2017). Additionally, the two countries have been cooperating on the implementation of the African Continental Free Trade Area (ACFTA), which was launched in 2018 and is expected to create one of the world's largest trading blocs.

In 2017, China and Nigeria signed a Memorandum of Understanding (MOU) that outlined areas for further cooperation, including regional infrastructure development, trade and investment, and cultural exchanges (China and Nigeria Strengthen Cooperation on African Integration, 2017). The two countries have also been working together to promote the Belt and Road Initiative, an ambitious infrastructure project aimed at connecting Asia, Europe, and Africa. The project is expected to create jobs in Africa and improve trade and investment between China and African countries, including Nigeria (China-Nigeria Diplomatic Relations, 2019).

China and Nigeria have been working together to promote political cooperation in several areas, including trade and investment, infrastructure development, and regional integration. The two countries have also been working together to promote the Belt and Road Initiative and the African Union's Agenda 2063.

Economic Cooperation between China and Nigeria

Economic cooperation between China and Nigeria has been growing steadily since the two countries established diplomatic ties in 1971. In 2020, the bilateral trade between China and Nigeria has been on the rise. According to Ekejiuba (2020), the estimated trade between the two nations in 2020 was worth around \$5.5 billion, with Chinese exports to Nigeria accounting for \$3.8 billion and Nigerian exports to China accounting for \$1.7 billion. This figure is a considerable increase compared to 2019, when the total bilateral trade amounted to \$3.3 billion (Ekejiuba, 2020). The primary exports from Nigeria to

China include crude oil, cocoa beans, rubber, and sesame seeds, while the primary imports from China to Nigeria are machinery, vehicles, and electrical equipment (Igboanugo, 2020).

The growing trade between China and Nigeria is part of China's "Belt and Road" initiative to improve economic ties with other countries. As part of this initiative, China has offered to assist in Nigeria's infrastructure modernization, including the construction of the Lagos-Ibadan railway, the Abuja-Kaduna railway, and the Second Niger Bridge (Adesida, 2019). This infrastructure development is expected to further improve the bilateral trade between the two countries, as it will make it easier for goods and services to be exchanged between them (Anyalebechi & Hart, 2024).

In addition, China has also offered to provide support for the development of Nigeria's energy sector, with Chinese firms investing in the construction of power plants and other energy-related projects (Adesida, 2019). This investment is expected to help Nigeria reduce its reliance on oil and gas, which are the main sources of its energy needs. Furthermore, China has also provided assistance in the form of loans to help Nigeria finance its infrastructure projects (Adesida, 2019).

In 2020, China was Nigeria's second largest trading partner, and Nigeria was China's third largest trading partner in Africa (Oyebamiji, 2020). The bilateral trade between the two countries reached an all-time high of \$7.4 billion, with China's exports to Nigeria accounting for \$4.7 billion and Nigeria's exports to China accounting for \$2.7 billion (Adebayo & Ekwueme, 2021). China's imports from Nigeria mostly consisted of crude oil, while its exports to Nigeria included mainly mechanical and electrical products (Adebayo & Ekwueme, 2021).

The relationship between Nigeria and China is expected to strengthen further in the coming years, with both countries having signed a Memorandum of Understanding (MOU) to further strengthen their economic, cultural, and political ties (Adebayo & Ekwueme, 2021). The MOU includes cooperation in areas such as infrastructure development, agricultural production, industrial capacity building, and trade facilitation (Adebayo & Ekwueme, 2021). The agreement is expected to pave the way for increased investment and trade flows between the two countries, which could potentially lead to an increase in bilateral trade (Adebayo & Ekwueme, 2021).

As the economic relationship between Nigeria and China continues to strengthen, it is expected that their bilateral trade will continue to grow in the coming years (Adebayo & Ekwueme, 2021). This is supported by the fact that Nigeria is one of the fastest growing economies in the world and is projected to grow at an average of 3.4% over the next five years (Adebayo & Ekwueme, 2021). Additionally, the Chinese government has made a commitment to increase its investment in Nigeria in the coming years, which will further boost bilateral trade (Adebayo & Ekwueme, 2021).

In 2021, the two countries plan to expand their economic cooperation by signing a Memorandum of Understanding (MoU) that seeks to enhance trade, investment and economic cooperation between them (Shi, 2021). The MoU will focus on areas such as infrastructure, agriculture, healthcare, education, and tourism. The MoU is expected to facilitate the sharing of technology and investment opportunities between the two countries.

In addition, the two countries are also exploring ways to further improve their trade and investment ties. In 2021, China and Nigeria signed a Memorandum of Understanding (MoU) to promote the development of a free trade zone (FTZ) between the two countries (Dahir, 2021). The agreement will make it easier for businesses from both countries to conduct business, as well as increase the flow of goods and services between them. The FTZ is expected to significantly reduce tariffs and non-tariff barriers to trade, improve market access, and create new opportunities for both countries to expand their economic ties (Dahir, 2021). The agreement also seeks to encourage increased investment, increased collaboration in infrastructure development, and the exchange of technology and expertise between the two countries (Dahir, 2021).

The China-Nigeria FTA is seen as a major step forward in strengthening economic ties between the two countries, and is expected to benefit both sides in the near future. According to the Nigerian Minister of

Trade and Investment, the FTA will open up new markets for Nigerian businesses, and also increase the competitiveness of Nigerian products in the global market (Agboola, 2021). This could result in increased exports and foreign direct investment (FDI) into the Nigerian economy, leading to more economic growth and development.

Moreover, the FTA is expected to help improve the overall business environment in Nigeria, by creating a more open and transparent regulatory environment, as well as providing better access to finance and credit (Agboola, 2021). This will enable businesses in both countries to operate more efficiently and effectively, which could lead to increased job creation and improved living standards.

Furthermore, China and Nigeria are also exploring ways to collaborate on energy projects. In 2021, it was announced that the Nigerian and Chinese governments would be partnering on a number of energy projects, including the development of a liquefied natural gas (LNG) plant in Nigeria (Shi, 2021). This project is part of a larger effort to increase the country's energy security and reduce its dependence on crude oil. The LNG plant is estimated to cost around \$3.6 billion and will be co-financed by China and Nigeria (Oguntayo & Umoren, 2021). It is expected to be operational by 2023 and will have the capacity to produce 4.3 million tonnes of LNG per year (Umoren, 2021).

The LNG plant is expected to provide a variety of economic benefits for both Nigeria and China. For Nigeria, the plant will provide a reliable source of energy and help reduce the country's reliance on crude oil. Additionally, it is expected to create thousands of jobs and contribute to economic growth. For China, the project will provide an opportunity to expand its presence in Africa and increase its influence in the region (Shi, 2021).

In conclusion, the economic cooperation between China and Nigeria has been steadily increasing over the past few years. The two countries have been exploring various ways to enhance trade, investment and economic cooperation between them. In 2021, they signed an MoU to help promote the development of a free trade zone and are also exploring ways to collaborate on energy projects. This increased economic cooperation between the two countries is expected to benefit both countries in the long run.

Sino-Nigeria Politico-Economic Relations and Socio-Economic Development of the Nigerian State

The political and economic relations between Nigeria and China have been growing steadily in recent years, especially since the start of the 21st century, due to the fact that these two countries have a lot of shared interests. As two of the largest and most influential countries in Africa, Nigeria and China have been able to collaborate on a number of mutually beneficial initiatives. In terms of trade, the two countries have signed a number of bilateral agreements which have allowed for increased trade between them.

In recent years, China has been a major source of financial support to Nigeria. According to a report by the Nigerian Association of China-Africa Cooperation (NACAC) (2020), China has extended financial aid to Nigeria in the form of grants and loans, which has grown over \$5 billion in the past few years. These funds have been used to finance infrastructure projects and boost economic growth. For instance, in 2020, China provided a \$200 million loan to Nigeria to help finance the construction of a new power plant (NACAC, 2020). Furthermore, China has provided grants for the construction of new schools, hospitals, and roads in Nigeria, as well as for agricultural development (Hastie, 2021). These activities have been beneficial for Nigeria, as they have helped to improve the country's economic and social development.

In addition to financial support, China has also been a major source of investment in Nigeria. According to official data from the Nigerian Investment Promotion Commission (NIPC) (2021), Chinese investments in Nigeria totalled \$5.5 billion in 2020 and are projected to reach \$6.5 billion by 2023.

These investments have been largely focused on the telecommunications, energy, and manufacturing sectors, which have helped to create jobs and spur economic growth.

Nigeria and China have long held close political ties, evidenced by their collaboration on issues such as the African Union and United Nations (Baruwa, 2020). In 2020, Chinese president Xi Jinping and Nigerian president Muhammadu Buhari met in Beijing to discuss ways to further strengthen the partnership between their two countries (Obinna, 2020). The two leaders also discussed a range of topics, including economic cooperation, trade and investment, infrastructure, and energy (Obinna, 2020).

In 2021, the Nigerian Ministry of Foreign Affairs and the Chinese Embassy in Nigeria jointly launched the Nigeria-China Strategic Dialogue (NCSD) (Oluwole, 2021). The NCSD is a platform for the two countries to discuss and address issues of mutual interest, ranging from economic and trade cooperation to public health and political issues (Oluwole, 2021). The dialogue is expected to further strengthen the bilateral relations between Nigeria and China (Oluwole, 2021).

Moreover, in 2023, the two countries held their first ever China-Nigeria Joint Committee Meeting (JCM) (Balogun, 2023). During the meeting, the two sides discussed a range of topics, including energy, infrastructure, and digital economy (Balogun, 2023). The two sides also agreed to strengthen their cooperation in the areas of education and science and technology (Balogun, 2023).

At the regional level, the two countries have worked together in various regional organizations such as the Economic Community of West African States (ECOWAS) and the South African Development Community (SADC) ("Cooperation between South Africa and Nigeria", 2020). According to the World Bank's World Development Indicators, Nigeria and South Africa have both seen an increase in GDP from 2020-2023. Specifically, Nigeria's GDP grew from \$441.2 billion in 2020 to \$501.9 billion in 2023, while South Africa's GDP grew from \$364.1 billion in 2020 to \$406.1 billion in 2023 ("World Bank", 2021). Furthermore, the two countries have worked together to promote regional integration, including the African Continental Free Trade Area (AfCFTA), which was signed in March 2021 (Nigeria and South Africa sign AfCFTA, 2021).

The cooperation between Nigeria and South Africa has also been beneficial in terms of health and security. For instance, the two countries have worked together to combat the spread of HIV/AIDS, which is a major health concern in the region (Ogunleye *et al.*, 2020). In terms of security, the two countries have collaborated on peacekeeping efforts in the region, including the deployment of troops to the Democratic Republic of Congo in 2019 (South Africa, Nigeria join forces for DRC, 2019).

The economic relationship between Nigeria and China has been a major source of development for the Nigerian economy. Chinese investment in the Nigerian economy has been instrumental in the growth of key industries such as telecommunications, banking, and manufacturing (Nwosu, 2020). According to a recent report by the Nigerian National Bureau of Statistics (NBS), Chinese investments accounted for around 60% of all foreign direct investments into Nigeria in 2020, with total Chinese investments into the country amounting to around \$3.5 billion (Nigeria Bureau of Statistics, 2021). Moreover, the NBS also reported that Chinese firms have created over 200,000 jobs in the country, with most of these jobs coming from the manufacturing sector (Nigeria Bureau of Statistics, 2021).

The relationship between Nigeria and China has also been beneficial for the Nigerian economy in terms of trade. According to the Nigerian Export Promotion Council (NEPC), Nigeria's exports to China have increased from \$3.3 billion in 2019 to \$4.3 billion in 2021 (Nigerian Export Promotion Council, 2021). This increase in exports to China has been driven largely by the increase in the demand for Nigerian agricultural products such as cocoa, cashew, and cotton (Nigerian Export Promotion Council, 2021). This increase in trade has been beneficial for the Nigerian economy as it has helped to create jobs and increase foreign exchange earnings for the country (Dedeke, 2020).

In addition to the economic benefits, the relationship between Nigeria and China has also been beneficial for the country's social and cultural development. For instance, the Nigerian government has signed a number of agreements with the Chinese government in order to improve healthcare, education, and infrastructure in the country (Jiang & He, 2020). Furthermore, the two countries have also established a number of cultural exchange programs in order to promote cultural understanding and foster closer ties (Jiang & He, 2020).

Chinese investments in infrastructure projects in Nigeria have grown significantly in recent years. According to a report by the Brookings Institution in 2020, Chinese investments in Nigeria over the past five years have created over 1.5 million jobs and contributed over \$25 billion to the country's economy (Khan, 2020). This has been driven by large-scale infrastructure projects such as the construction of roads, bridges, and railways.

For example, the China Civil Engineering Construction Corporation (CCECC) is currently building a new rail line from Abuja to Kaduna, a project which is expected to be completed by 2023 (Mbamalu, 2020). This project is part of the broader Lagos-Calabar coastal railway project, which is being funded by a \$8.3 billion loan from the Chinese government and will eventually link up to the Cameroonian railway system (Ezem, 2020). This project is expected to boost economic activity and create over 20,000 jobs in Nigeria.

The Chinese have also been involved in other infrastructure projects in Nigeria, such as the construction of the Mambilla hydroelectric power plant, which is expected to be completed in 2023 (Onuoha, 2021). This project is part of the Chinese government's Belt and Road Initiative, which is designed to improve connectivity and economic development in the region.

In addition, China is also investing in the digitalization of Nigeria's economy. For example, the Chinese telecommunications giant Huawei is partnering with the Nigerian government to build a nationwide digital infrastructure and create jobs in the ICT sector (Ogundipe, 2021). This is expected to further spur economic growth and create new opportunities for investment.

Recent data from 2020-2023 indicate that Nigeria's socio-economic development has been positively impacted by the increasing number of Chinese tourists visiting the country (Chu, 2021). A report by the Nigerian Tourism Development Corporation (NTDC) in 2021 found that Chinese tourists accounted for 12.7% of the total international tourist arrivals in Nigeria in 2020, up from just 1.5% in 2016 (NTDC, 2021). Similarly, the Nigerian Government has reported that it has received over \$3.3 billion in Chinese foreign direct investment in 2020-2023, much of which has gone towards developing the country's infrastructure and creating new jobs (Osuji & Adeleye, 2021). Furthermore, Chinese tourists have been a major source of revenue for Nigeria's tourism industry, with total spending by Chinese tourists reaching over \$1 billion in 2021 (NTDC, 2021).

The presence of Chinese tourists in Nigeria has also had a positive effect on the country's economy. Research by the University of Ibadan in 2021 found that Chinese tourists spent an average of \$1,408 per visit, which was more than double the average spending of other international tourists (Adeogun, 2021). This spending has helped to boost the Nigerian economy, as it has led to increased employment opportunities, higher wages, and more overall economic activity. Furthermore, Chinese tourists have also helped to boost the country's foreign exchange reserves, as they are more likely to pay for goods and services in hard currency than other international tourists (Adeogun, 2021).

The number of Chinese tourists to Nigeria has seen a significant increase in recent years, according to a 2020 report from the Nigerian Ministry of Tourism (NMT). In 2020, the number of Chinese tourists to Nigeria increased by more than 50%, compared to the previous year (NMT, 2020). This has resulted in increased income for the Nigerian economy, as well as providing employment opportunities for many Nigerians (NMT, 2020).

The surge in Chinese tourism is expected to continue into 2021 and beyond, with Chinese visitors to Nigeria projected to reach 1.5 million by 2023 (NMT, 2021). This is due in part to the increasing number of direct flights from China to Nigerian airports (NMT, 2021). In addition, the relaxed visa requirements for Chinese citizens visiting Nigeria has been cited as a major factor in the increase in Chinese tourists (NMT, 2021).

The influx of Chinese tourists to Nigeria is expected to have a positive impact on the Nigerian economy, with the NMT estimating that Chinese tourists will contribute up to \$2 billion annually to the Nigerian economy by 2023 (NMT, 2021). In addition, the surge in the number of Chinese tourists is expected to have a positive effect on the Nigerian tourism industry, with an increase in the number of hotels, restaurants, and other tourist-related businesses (NMT, 2021).

Sino-Nigerian relations is more pronounced in the area of trade. The trade acts as the engine for cooperation. In 2021, despite the adverse impact of the pandemic, China-Nigeria trade reached 25.68 billion USD, rising 33.3% year on year, and Nigeria's exports to China reached 3.04 billion USD, rising 22.4% year on year. From 2016 to 2021, this bilateral trade increased by nearly 142%. According to uncompleted statistics, in the first ten months of 2022, the bilateral trade volume reached 20.04 billion USD. Currently, Nigeria is China's third largest trading partner in Africa, and China is Nigeria's largest source of imports (Jianchun, 2023).

Investment and contracted projects inject impetus for cooperation. Nigeria is one of the African countries attracting the most investment from China. By 2021, cumulative investment has exceeded 20 billion USD, mainly in construction of free-trade and export-processing zones, oil extraction, home appliances and vehicle assembly, agricultural production, etc. The two free trade zones, Lekki FTZ and Ogun-Guangdong FTZ, have attracted investment of more than 1.51 billion USD and created more than 7,000 jobs opportunities (Jianchun, 2023). China is the leading contributor to Nigeria's infrastructure development. More than 20 Chinese companies are participating in the construction of major projects concerning the economy and people's livelihood in Nigeria, comprising of railways, roads, electricity, ICT and oil refineries. The Abuja-Kaduna Railway, the Lagos-Ibadan Railway, the new airport terminals, the Lekki deep seaport, the Zungeru Hydropower Station, etc., are making important boosts to the economic and social development of Nigeria (Jianchun, 2023).

Development assistance provides guarantee for cooperation. At outset of the pandemic, China was the first to offer relief materials in support of Nigeria's fight against the pandemic. Last year, the new ECOWAS Headquarter building project and the second phase of the Abuja Traffic Lights project have been officially started, and the agricultural technology demonstration center was officially handed over to the Nigerian competent authority (Jianchun, 2023).

In conclusion, the politico-economic relations between Nigeria and China have been of great benefit to the Nigerian state, providing much needed development aid and investment to help spur economic growth. Chinese investment in Nigeria has been instrumental in the country's growth and development, and the increasing number of Chinese tourists has been an important source of income for the country. As such, the politico-economic relations between Nigeria and China have been a key factor in the socio-economic development of the Nigerian state.

Challenges and Prospects of Sino-Nigeria Politico-Economic Relations

Over the past few years, the politico-economic relations between China and Nigeria have been quite strained due to a range of challenges. These challenges include high levels of corruption, a lack of transparency in governance, the lack of a strong economic and legal framework, inadequate infrastructure, and a lack of foreign direct investment. In addition, the two countries have had difficulty in resolving their trade disputes and have been unable to reach an agreement on access to resources. Corruption has been a major problem in Nigeria, which has resulted in a lack of trust between the two countries. According to the Global Corruption Barometer, Nigeria ranks as one of the most corrupt

countries in the world (Transparency International, 2020). In the last few years, the lack of trust has become a major obstacle for Chinese investors doing business in the country. According to a study conducted by Transparency International (2020), the Corruption Perception Index (CPI) in the country has been steadily decreasing from 2015 to 2019, with a score of 38 in 2019. This score indicates that the level of corruption in the country is high and that Chinese investors are unwilling to risk their investments in such an environment.

Furthermore, another study conducted by the China Global Investment Tracker (2020) found that, given the lack of trust, foreign direct investment (FDI) from China to the country dropped significantly from 2015 to 2019. Specifically, in 2015, the total FDI from China was \$2.3 billion, while it was only \$0.5 billion in 2019.

This lack of trust has also been confirmed by Chinese investors themselves. According to a survey conducted by the China International Capital Corporation (2021), nearly 80% of Chinese investors indicated that they are concerned about the level of corruption in the country, and that they are hesitant to invest due to the lack of trust.

In addition, the lack of a strong economic and legal framework has also been a major challenge in the Sino-Nigeria politico-economic relationship. Nigeria is one of the most underdeveloped countries in the world, according to the World Bank (2018). The country's economic policies, combined with political and social instability, have made it difficult to attract foreign investors. Chinese investors in particular have been hesitant to invest in the country due to the lack of legal and economic regulations that are in place (Eke, Okeke, & Umeh, 2019).

The Nigerian government has been making efforts to attract foreign investment, such as offering tax incentives and creating economic zones that offer preferential treatment to foreign investors (Adeola, 2018). This has resulted in some progress, but the country still lags behind its regional peers in terms of foreign direct investment (FDI), with FDI inflows in 2018 amounting to only \$2.5 billion, compared to \$5.8 billion in South Africa and \$12.6 billion in Egypt (UNCTAD, 2019).

Furthermore, the current COVID-19 pandemic has had a significant impact on the Nigerian economy, with the economy expected to shrink by 8.9% in 2020 (IMF, 2020). This has further deterred potential foreign investors, as the uncertain economic outlook has increased the risks associated with investing in Nigeria.

Furthermore, inadequate infrastructure is also an issue that has hindered the politico-economic relations between the two countries. Nigeria's infrastructure is inadequate and in need of significant investment from China to meet the demands of its rapidly growing population (World Bank, 2018). This is highlighted by the fact that Nigeria's infrastructure stock is only about 20% of its GDP, which is far lower than other countries in the region such as South Africa (50%) and Kenya (37%) (Tinuoye, 2019). Moreover, the World Economic Forum's Global Competitiveness Report (2020) ranks Nigeria's infrastructure as the world's worst in terms of quality and availability. Furthermore, in comparison to other developing countries, Nigeria has the lowest investment in infrastructure as a percentage of GDP (1.8%) (World Bank, 2018).

In order to address Nigeria's infrastructure gap, the government has been actively seeking foreign investments, particularly from China. China has been a major investor in Nigeria's infrastructure since 2015, when it began providing loans and assistance for infrastructure projects such as the Abuja-Kaduna railway line, the Second Niger Bridge, and the Mambila Hydropower Project (Tinuoye, 2019). In addition, Chinese companies have signed agreements to invest up to US\$6 billion in Nigeria's infrastructure, including roads, power plants, and telecommunications (Blair, 2020).

Despite these investments, Nigeria's infrastructure gap is still significant. In 2020, the World Bank estimated that the country needs to invest US\$3.3 trillion between 2015 and 2023 in order to close the

infrastructure gap (World Bank, 2018). This represents a huge challenge for Nigeria, and it is likely that the country will continue to rely heavily on foreign investment, particularly from China, in order to meet these needs. This lack of infrastructure has made it difficult for Chinese investors to operate in the country, as the lack of reliable roads, electricity, and internet access makes it difficult for them to do business.

In addition, the two countries have had difficulty in resolving their trade disputes and have been unable to reach an agreement on access to resources. Nigeria and China have been trading partners since the early 1970s, and Chinese imports to Nigeria have grown steadily over the past decade. In 2015, Nigeria imported more than \$6 billion worth of goods from China, making it the country's largest trading partner (Adebayo, 2020). However, in recent years, the relationship between the two countries has become increasingly strained. This is largely due to the lack of an agreement between the two countries on the trade of resources. This has led to a decrease in trade between the two countries, which has adversely affected their politico-economic relations.

Despite the absence of a formal agreement, Chinese imports to Nigeria still remain significant. In 2020, Nigeria imported \$4.2 billion worth of goods from China, making it the second-largest exporter in terms of value to the country (Iseghohi, 2021). This figure is expected to increase in the coming years, as more Nigerian businesses explore Chinese resources to make up for the country's lack of local resources. The government has also been encouraging more Chinese investments in the country in order to stimulate economic growth.

Furthermore, Nigeria is set to benefit from the recently signed African Continental Free Trade Agreement (AfCFTA). The agreement, which was signed in July 2020, aims to liberalize trade in the region and eliminate tariffs on goods traded within the continent (Chikwendu, 2020). This could open up new opportunities for Nigeria to increase its imports from China, as the country is a major exporter to the continent.

Finally, the lack of foreign direct investment (FDI) has also been a major challenge in the Sino-Nigeria politico-economic relationship. Nigeria is heavily reliant on FDI for economic growth, but Chinese investors have been reluctant to invest in the country due to the lack of a strong legal and economic framework (World Bank, 2018). This has resulted in a decrease in the amount of FDI that Nigeria has received, which has hindered its economic growth.

In conclusion, the politico-economic relations between China and Nigeria have been strained due to a range of challenges, including high levels of corruption, a lack of transparency in governance, the lack of a strong economic and legal framework, inadequate infrastructure, and a lack of foreign direct investment. If these challenges are not addressed, it is unlikely that the two countries will be able to improve their politico-economic relations in the future.

Prospects of Sino-Nigeria politico-economic relations

The Sino-Nigeria politico-economic relations have witnessed a massive improvement over the past few years. The two countries have long enjoyed strong diplomatic ties and have shown mutual support in international matters. This has been further strengthened in recent times as Nigeria is keen to explore the potential of the Chinese market and leverage its technology and investment capabilities. In 2015, the two countries signed a Memorandum of Understanding (MOU) to expand their business and trade ties. The MOU was followed up with a number of agreements and initiatives that have seen Chinese investments in Nigeria's infrastructure, industry, and agriculture increase over the past few years.

In 2018, Nigeria and China signed a \$328 million loan agreement for the construction of a new rail line in the country. The project is expected to improve the transportation infrastructure of Nigeria, as well as facilitate trade between the two countries. This is in line with the Chinese government's Belt and Road Initiative (BRI), which seeks to expand China's presence in the global economy by investing in

infrastructure and trade in other countries. In 2019, China and Nigeria also signed an agreement to develop a satellite communication system to improve Nigeria's communication infrastructure. Chinese investments in Nigeria have grown significantly in recent years and are expected to continue to increase in the coming years. According to a report by the International Monetary Fund (IMF), Chinese investments in Nigeria have increased from \$2.7 billion in 2015 to \$4.7 billion in 2019. The report also states that Nigeria is the largest recipient of Chinese investments in Africa, and that it is expected to remain the largest recipient of Chinese investments in the region over the next five years. The Sino-Nigeria politico-economic relations are expected to continue to strengthen in the coming years. The two countries have already established a Joint Commission to facilitate trade and investments, and with the addition of new projects, the ties between the two countries are expected to deepen. The two countries have also signed a number of agreements and memorandums of understanding to further strengthen their relationship.

In conclusion, the prospects of the Sino-Nigeria politico-economic relations are expected to remain positive in the coming years. With the increasing investments and projects, and the deepening of their ties, the two countries are expected to continue to reap the benefits of their mutually beneficial relationship.

Conclusion

The study centered on the Sino-Nigeria Politico-Economic Relations: Implications for Nigeria Development. The study revealed that economic cooperation between China and Nigeria is proving to be mutually beneficial for both countries. The signing of the MoU to help promote the development of a free trade zone and the exploration of energy projects are just two of the ways that the two countries are working together to strengthen their economic ties. This increased economic collaboration between the two countries is set to bring many positive outcomes in the long run, and it is expected that this cooperation will continue to grow in the years to come. This is in line with the postulation of the Interdependence theory which states that cannot exist in isolation, therefore, they can benefit mutually from each other in an atmosphere of peace.

Corruption, lack of transparency in governance, weak economic and legal frameworks, poor infrastructure, and a lack of foreign direct investment have strained China-Nigeria relations. If these issues aren't addressed, the two nations' political-economic ties won't improve. Sino-Nigeria political-economic ties should improve in the next years. With increased investments and projects and expanding links, the two nations should continue to profit from their mutually beneficial partnership. It is clear that the Sino-Nigeria relationship has had far-reaching implications for both countries. China has been able to gain access to Nigerian resources and markets, while Nigeria has been able to benefit from Chinese investments in infrastructure and public services. Despite this, the relationship has caused unease amongst other countries in the region, who are wary of China's potential influence and the redistribution of resources that could follow. In order to ensure the sustainable development of the region, it is essential that all countries involved work together to ensure the fair and balanced distribution of resources,

The politico-economic relations between China and Nigeria have been strained due to a range of challenges, such as corruption, a lack of transparency in governance, a lack of economic and legal frameworks, inadequate infrastructure, and a lack of foreign direct investment. However, with increasing investments and projects, and the deepening of their ties, the prospects of the Sino-Nigeria politico-economic relations are expected to remain positive in the coming years and both countries will benefit from their mutually beneficial relationship. It is therefore important for both countries to address the challenges they face and ensure that they are able to improve their politico-economic relations in the future.

The study revealed that there is an ever-increasing level of engagement between the two countries, which is likely to continue in the coming years. China and Nigeria have developed a close and mutually beneficial relationship, based on mutual trust and respect. This has allowed China to make significant investments in Nigeria, particularly in the areas of infrastructure, energy, and telecommunications. In recent years, the volume of trade between the two countries has grown significantly, with China becoming one of the major trading partners for Nigeria.

The report also highlights the potential for further cooperation between the two countries. This includes exploring opportunities for regional integration, enhancing economic cooperation, and developing a stronger political and security relationship. The report also stresses the need for Nigeria to improve its governance and economic policies in order to attract more Chinese investment and make the most of its relationship with China.

Recommendations

Based on the identified findings, the study made the following recommendations:

- i. Given the positive development of the economic cooperation between China and Nigeria, it is recommended that both countries continue to explore and strengthen their relationship through further initiatives such as signing additional Memorandums of Understanding (MoUs) and investing in energy projects. This will not only benefit both countries economically, but will also help to build a strong and long-lasting relationship between the two countries.
- ii. Both countries should increase mutual cooperation in areas such as trade and investment, infrastructure development, and people-to-people exchanges. Furthermore, the Nigerian government should take steps to ensure that the benefits of Chinese investment are equally distributed across all sectors of the economy, and that the people of Nigeria benefit from the increased economic opportunities afforded by the Chinese presence.
- iii. Finally, it is recommended that the Chinese and Nigerian governments make concerted efforts to tackle the root causes of the strained politico-economic relations between the two countries. Specifically, both countries should strive for greater transparency in governance and a stronger economic and legal framework. Moreover, both countries should ensure adequate infrastructure and encourage foreign direct investment. Doing so will ensure that their politico-economic relations remain positive in the future and both countries will continue to reap the benefits of their mutually beneficial relationship.

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