WHAT DO AFRICAN CITIZENS OF DIFFERENT INCOME LEVELS THINK OF CHINESE INVESTMENT?

2015-2019

A STUDY OF THREE COUNTRIES IN AFRICA

By

Christopher R Conner

A Thesis submitted to Johns Hopkins University in conformity with the requirements for the Degree of Doctor of International Affairs.

Baltimore, Maryland

December 2021
Abstract

This study focused on determining the relationship between occupation, education and perception on Chinese investment in Kenya, Senegal and Nigeria.

It used a combination of qualitative and quantitative research to determine conclusions. The qualitative research focused on interviews and personal one on one interactions with Africans. The author used publicly available Afrobarometer data for the quantitative study.

The results of the study indicate that there is a correlation between occupation and perception on Chinese influence for all three countries. However, there was no conclusive evidence that there was correlation between education and perception of Chinese influence.

Readers for this text are: Dr. Lewis, Dr. Cheon and Mr. Gregoire.
Acknowledgements

I could never have accomplished this monumental task without the help and support of very important people and I would be remiss if I did not publicly acknowledge them. My wife Britta has been a constant support and without her help I would have never started not endured and I could have never finished this project. She was and is and will continue to be my inspiration to make something happen and become better.

Megan was critical in the proofreading and editing of this really intensive work. Thank you so much. I do not know how I could have ever made sense of my writing without your help.

Doug thank you so much for making the math work out. You took so much time to explain it to me and made it all make sense.

Throughout this process I do not even know how many times I prayed for guidance and sought inspiration from God. If I did not think this was what my God wanted me to do I would have never even started and I would not have chosen to continue it.

Dr. Cheon, your insights were critical to make sure that this research met with the highest academic standards.

LTC Gregoire thank you for making sure that what I wrote matched the truth on the ground.

Dr. Lewis thank you for the privilege of making this happen. Without your constant guidance and assistance and without you volunteering to be my mentor this would have never happened.

My Children were a constant joy. Thank you for your patience and thank you for your love. I spent all day at work and then wrote at night. I neglected you and I appreciate your compassion and support. I will be able to provide better for you in the future now.

And finally the other members of my Doctorate of International cohort. Thank you so much for your advice, guidance and inspiration you kept me motivated and on track.
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Chapter 1 Why Africa

Africa Matters

By 2025, the population of Africa is projected to surpass 1.5 billion people (UN 2019). US Army Foreign Area Officers have a saying, “there is never a dull day at the office in Africa.” Even with a large diplomatic and military presence, and with an embassy in almost every country in Africa, the United States has ceded its position of primacy in economic and political concerns in Africa to China. Chinese involvement, as measured in trade, investments in infrastructure projects, and good will gestures in Africa, for the last few years, outstrips American involvement (SAIS CARI 2021). The Chinese government and private investors backed by the government have been willing to invest in locations and places that other countries and businesses have not historically invested in. The PRC is now the largest investor in Africa as a whole, with FDI estimated at 35 billion USD and trade at 188 billion in 2015 (Sun, Jayaram and Kassiri 2017, 20). While other countries may have a greater impact in a specific area or region in Africa, such as the French in the Sahel region and the British in the Southern part of Africa, the Chinese investments have the largest breadth and depth. China is the largest trade partner in a majority of African countries. Sun, Jayaram and Kassiri also found that, even though China is the fourth largest country for FDI, and third for direct aid, their overall percentage of FDI continues to rise the fastest. In the period from 2004-2015, their FDI grew at 40% a year. In addition, when Africa was growing fast, China was there to lend money. I believe this is a major driving factor in the perceptions of average people on Chinese involvement in their countries. The only area that they are lagging is Aid. Even though they only have six billion dollars in aid donations, the PRC is still the third largest donor in Africa. Lastly, and perhaps most critically for the
purposes of this paper, they are by far the largest funder of infrastructure projects across
the continent (Sun, Jayaram and Kassiri 2017, 20). This is contrasted with a Brookings
Institution report that shows US and Western influence and investment is focused on
more established and stable markets, such as South Africa, Nigeria, Egypt and Ghana
(Schneidman 2019). The narrowness of the western approach provides a larger dollar
amount in some cases but is critically short in diversity of locations. This approach lacks
the ability to access the entire African continent. The Chinese government, private
corporations, and SOEs have a much greater depth and breadth of investment across all
of Africa. The diversity of finance gives the Chinese government a far larger impact on
the continent than any other single player. To quote Joshua Ramo, “In global
community terms, the person who walks around rattling locks, checking alarms and
catching the bad guys is called the policeman. The person who worries about everything
else is called the mayor (2004, 3).” The US has long been the world’s policeman. As
America focuses on security issues and ignores the economics of the developing world, a
new mayor has risen in Africa.

What do people of different economic levels think of Chinese Investment? Do the
rich think better of the Chinese investment than shopkeepers and day laborers? Does it
matter if the poor lose their jobs to the Chinese investment? Or will the investments by
the Chinese in high visibility infrastructure projects such as stadiums, airport terminals
and power plants ensure the consent of poorer classes? There is often a perception in
Africa that the Chinese contractors and developers bring in their own workers and do
not hire locals. A Ghanaian resident stated, “Every time I pass by a Chinese construction
site and see Chinese people working it. Why do they have to bring in their own workers
when so many young Ghanaians can’t find jobs?” (Staden 2016). However, this
perception has often been proven wrong, with most firms employing about 80% local African workers. The other part of the perception is that these same corporations do not provide leadership opportunities and refuse to source materials from the local economy by living inside their compounds and refusing to interact with locals. The only part of this that has been substantiated is that the Chinese contractors and workers generally live inside separate areas and do not generally source building materials from the local economy (Sun, Jayaram and Kassiri 2017). The US is being left in the diplomatic cold in Africa. There are not many areas where the US remains the partner of choice. This area leaves an opening for American policy makers to step in and give an outside option to African policy makers and citizens (Muthoo 2000). Before US policy makers can offer another option, they must understand the perceptions of the citizens. This paper will provide that understanding in order to better inform future studies and future policy.

While I was in the city of Nouadhibou in northern Mauritania, I had the opportunity to talk to local people about their perceptions of Chinese investment. Generally speaking, the people I talked to were very upset with the Chinese exploitation of natural resources to the detriment of the local fishermen. In 2011, the government sold off the fishing rights to Chinese investors for an undisclosed sum for 25 years (Harkell 2018). After this deal was signed, the Chinese company Hong Dong began to use resource intensive, large fishing trawlers and drag net fishing to harvest all the fish that they could and ship it back to China as fish meal.

This resulted in a smaller amount of fish available for the artisanal fishers who had previously been able to support their families and export small amounts of fish to Europe or over to Mali. Thousands of people lost their jobs in a region without many
other options (Solomon 2017). The feeling of some of the locals that I talked to, who had lost jobs, was that crime, smuggling or leaving, were the only options available to support their families. Those that were considering crime were convinced that the Chinese were destroying their present and their children’s future. The poorest people were those that decided to emigrate. They believed that they could get a real job somewhere else where they could provide for their families. They did not see any other way to provide basic necessities for their families in Mauritania. They believed that the Chinese had destroyed their traditional way of providing for their loved ones. Every shopkeeper complained that the Chinese contractors and workers did not come in and buy anything from them. They did not buy cigarettes for smoking, paper for writing, soap for washing or food for eating. Everything was imported to their compound by the Chinese supply ships that would take away the fish meal. I witnessed once thriving restaurants with no one in them. I saw piers with boats moored to the side and fishing gear piled against houses. The elites of the country in Nouakchott did not seem to feel the impact. The people continued to buy and sell. The roads continued to run, and business continued.

Economic dependence can sometimes be correlated to political dependence. Discussing the dynamics between the USSR and the US during the cold war, Adrienne Armstrong said, “The greater the level of economic dependence (with either the United States or USSR) the greater the level of political compliance” (Armstrong 1981). This article studied three periods of time from the 1950s up to the 1970s and found that “Military aid is the single most important influence” for issues relating to the east-west divide. For issues more general in nature, economic dependence is “positively related to political compliance” (1981, 416). In all cases, the correlation between compliance and
economic dependence was greatest when the “issues at stake are considered more salient to the dominant partner than the dependent partner” (420). A second study published in 2019 echoed similar results. This study was focused on the smaller nations close to the PRC, and as such represents more closely the nations in Africa where “non-transparency and corruption are virulent, lethal elements that pave the way for the infiltration of a great power, especially in the realm of policymaking.” And “an influx of bilateral aid with no strings attached ... facilitates a great power’s intervention in the small state” (Kim 2019). For example, after WWII, the US and the USSR both intervened directly in Europe and in Asia. In Europe, the US directly intervened in order to ensure that West Germany stayed free and maintained capitalist political and economic leaning. At the same time, the US contributed directly to the rise of liberal governments in both South Korea and Japan, who before held very authoritarian styles of government. When the South Korean government violently suppressed democratic uprisings, the US did not support their military, which in turn allowed for the democratic selection of leadership for the first time. In both of these cases, and many others, the US used its financial, military, and political power to directly and indirectly change the way the government of smaller states worked. In the same vein, the USSR directly impacted the rise of the N. Korean government and the repressions of the Eastern bloc governments. In their case, the USSR supported their favorite types of government through military means and monetary support.

The author goes on to find similar, but not exactly the same, conclusions as Armstrong did in 1981. They found that trade concentration, non-transparency and reliance on bilateral aid are strong indicators of a country’s ability to maintain political independence. The PRC has used this political leverage to ensure political stalemate in
the South China Sea” (Kim 2019). Additionally, a report by William and Mary’s Aid Data Lab shows that “If African countries voted with China in the UN General Assembly an extra 10% of the time, they would get an 86% bump in official development assistance” (Custer 2018). China’s increasing economic hold on Africa could mean increasing political hold as well.

From 2009-2012, the PRC provided 10 billion USD in financing to Africa, which was largely tied to the commodities or large scale infrastructure projects. In 2013, President Xi Jinping pledged to increase that to 20 billion (Brookings Institute 2014). This was followed by a commitment in 2015 for another 60 billion in aid (Fifield 2018). In 2018, President Xi announced a further 60 billion dollars in aid and loans to African nations. The western world uses the OECD definition of aid, which is funding that is “concessional in nature, and administered with the promotion of the economic development and welfare of developing countries as its main objective” (OECD 2017). The Brookings institute states that “the bulk of Chinese financing in Africa falls under development finance, not aid. Chinese literature constantly blurs the line between the two categories” (Y. Sun 2014). This makes it difficult to identify exactly where this money goes and what it is used for. Chinese financing goes to Africa in many ways. Sometimes it is used for grants, sometimes interest-free loans, or credit lines, or the government may give the money to a Chinese company to invest directly (Fifield 2018, 10).

If the same logic holds true with the US as it does for the PRC, then if American companies were able to invest in the fishing industry, the solar industry, or the road industry in Mauritania, they could in turn have influence over the political happenings. This influence could be leveraged to change for the betterment the country. In some
cases, the US has achieved less than opportune outcomes, such as with Haiti and the Philippines. However, at the same time, South Korea and Japan are the capitalist liberal democracies that they are as a direct result of US intervention militarily, economically and politically. A focus on the economic intervention and economic expansion led the way to eventual political liberalization in the latter cases.

Similarly, a focus on the power of trade and economic expansion has led opportunities for changes in Africa, some successful and some not. In 2018, President Trump rescinded Mauritania’s preferential trade status under the African Growth and Opportunity Act (AGOA) due to their inability to end forced labor practices (slavery) (Office of the US Trade Representative 2018). This has not forced change, and the economic impacts were very limited. However, Eswatini lost their AGOA trade status in 2014 over labor rights laws and freedom of speech issues (Zwane 2014). The impacts on their economy were so severe that Eswatini resolved the issues by 2017, and by 2018 the trade status had been renewed (AGOA n.d.). This is one success for trade resulting in improvement in development outcomes.

Mauritania, just like most countries in Africa, needs investment. However, it remains resistant to both investment by American companies and political influence by the American government, preferring to maintain the status quo. Investments could be in new markets for the citizens of Mauritania to sell their products through export agreements with the US. Each of these areas would benefit the American people and provide support to the Mauritanian citizens. The United States could also expand their investment into other areas in Africa, creating more competition with China, which would provide an alternate world view for African citizens. However, none of these benefits will happen without active engagement from policy makers with a counter
narrative to massive investments from China, who have no strings and no accountability attached. I do not think that Mauritania will seriously attempt to change slavery and the chattel system in their country. There is no need to. The economic benefits of trade with the US do not outweigh the benefits of keeping the ruling elite happy. If the US was more involved in African economic growth, American business and American policymakers would have greater ability to influence the ruling elites. With a proper perspective, this influence could be used to inspire social change. This social change could be similar to what happened with the labor unions in the United States.

Encouraging unionization has led to a higher percentage of Black men and women in union jobs, and those that are in unionized jobs earn about 40% more in pay than the non-union jobs (BLS 2020, 6) (CBTU 2021). This social change came about because of the economic influence of business on society.

As stated in my previous example with Eswatini, the direct impacts on the poorest segments of society are significant when a trade-dependent country loses its preferential treatment with its partner. In this case, the US used that to pressure them to change laws that directly benefited the population. This is but one example of the many ways that positive trade and political pressure can change people’s lives for the better. This is a little different than what the People’s Republic of China offers - money with no requirements to improve human rights improve conditions for the poorest people.

In all investment and markets, there are distributive effects on society. Some will win; they will grow and prosper and have better jobs. Some will lose; they will find the competition for markets too tough, their jobs will be replaced, or they will not be paid fair wages by their bosses. This is evident in Africa like many other places. The question
is, what do the people think of this competition? Do the poor without jobs, the workers with a job, and the rich all have different viewpoints about what their future is? Albert Hirschman and Michael Rothschild in their work *The Changing Tolerance for Income Inequality in the Course of Economic Development* stated, “An individual's welfare depends on his present state of contentment (or, as a proxy, income), as well as on his expected future contentment (or income). Suppose that the individual has very little information about his future income, but at some point, a few of his relatives, neighbors, or acquaintances improve their economic or social position. Now he has something to go on” (1973, 545). This hope is also what drives people to stay home and try and make something better for themselves and their families. The question is, what impact do the African people think the Chinese will have on this hope for their future?

There is an evolving strategic competition between the US and China in Africa. This paper will argue that the US DoD and the US GOV need to be able to leverage an understanding of the perceptions of Africans to directly apply policy standards, and share this understanding of local perceptions, when dealing with local governments. To paraphrase General Hooper, the three-star general over Foreign Area Officers, America cannot out-Chinese the Chinese, we have to play to our strengths: American ideals, American ethics and American values. By understanding the perceptions of Chinese investments in various countries, policy makers will be able to apply this knowledge when interacting with both US and Chinese entities. Those policy makers will then be able to show governments where America and Africa can work together more effectively than the Chinese, or if that is not the case, they will then be able to prioritize limited resources to other areas where they can be more effective.
Scope
The scope of this paper will be focused on the countries that I have access to during my normal duties at work. Additionally, it will not address the impacts of China on the economies, the environment, or other secondary or tertiary impacts of Chinese investment on the people. This paper will focus solely on the perceptions of the people in relation to the Chinese investment.

What hypotheses will I test?
By gaining a greater understanding of the hypothesis below, I hope to gain a better grasp on the linkages between economic status and perceptions of Chinese public and private investment in Africa. Additionally, I believe that most Africans will not be able to distinguish between public and private investment in their country by corporations from China, so I will not attempt to differentiate between the two.

H1: Africans who are jobless or in lower income brackets will have a less positive view of Chinese economic involvement than the local elites.
The poor, those without jobs, will be directly impacted by Chinese economic involvement in their country more forcefully than the elite. They have the potential to both lose land and lose the opportunity to be gainfully employed. However, if they are able to gain employment and progress in their lives, they will have a more positive outlook on Chinese investment. If, however, they lose their land and their livelihoods through import competition or land grabs by the state or powerful businesses linked to Chinese economic activity, then they will have a negative impression of the situation.

I believe that lower economic strata, those currently without jobs, or those barely getting by, will be impacted in a more detrimental way by increased Chinese investment. For the poor in the countryside, this could be in part due to the increased environmental degradation that will impact this group most directly (Amnesty
They might also be hit the hardest by the competition from more cheaply made imported goods. These goods will cause them to lose jobs. This is particularly easy to see in Nigeria, where the Chinese imports of cloth based on Nigerian designs destroyed over 300,000 jobs. Each breadwinner was providing for, on average, six relatives and family members (Burgis 2015, 65). The destruction of the textile industry also resulted in the loss of a market for the cotton farmers, who in turn, lost their farms and way of life. It is possible to estimate that well over two million people were impacted. These people who are now looking for work elsewhere will also be the ones that are most impacted by perceived or real impact of the Chinese importing workers into the labor market (Afrobarometer 2016). In Cushon, Nazeem and Ronald’s study on the “Lived Experience of Economic and Political Trends Related to Globalization (Cushon, Nazeem and Ronald 2010, 93)” they stated “one cannot analyze people’s experiences in isolation.” They also found out that the poor were more adversely affected by the impacts of globalization in their study population. Where for the poor, “Deepened poverty often produced a sense of helplessness, isolation, and or anger in the participants. Poverty also profoundly affected parents’ self-esteem (94).” Additionally, skilled workers [those with education] benefit more from FDI than those who are unskilled (Velde and Morrissey 2001, 25). I believe that this study will prove efficacious in showing that the poor perceive the impacts of the Chinese investment negatively. These potentially negative impacts are more pronounced in relation to the Chinese investment due to the ubiquitous nature of the Chinese in African society. Each of the countries that this study will focus on will discuss the impact of the Chinese investment in infrastructure projects and extractive industries, and will attempt to parse out the impact of rents on the governments and the people in each country.
H2: **Africans who are employed, or have an independent business, may view Chinese engagement more favorably than the poor, but less positively than the local elites.**

The perception of Chinese intervention among the working class and the shopkeepers will vary depending on the economic success of Chinese imported workers and laborers. This segment of society could potentially be marginalized by the immigrant shopkeepers and newly established business enclaves. This would obviously cause the African people to have negative perceptions of Chinese involvement, regardless of the original reason for their presence in the country. However, I believe that if the Chinese supplement their purchases and their involvement in the businesses with interaction on the local level, such as purchasing from local shopkeepers, or working with and involving the local shopkeepers with jobs, then those with jobs and the shopkeepers would support additional Chinese investment in their society.

The shopkeepers and the people in the light manufacturing sectors could be hit the hardest. These are the people who have jobs but are directly in competition with the cheaper Chinese made imports. Additionally, the middle class, or those who currently have jobs, will be impacted in the areas where the Chinese have increased the number of shops and have established a larger number of import-focused businesses, instead of focusing solely on extractive resources. This is substantiated by a study that showed: “We find strong evidence for displacement effects, as African producers might not be able to compete with their Chinese counterparts. This applies in particular to specific labor-intensive manufactured goods, such as textiles, footwear or furniture, where African producers have had a considerable market share in local markets so far” (Busse, Erdogan and Muhlen 2016). This shows that it is likely that small business owners, light manufacturing and shop owners may have negative perceptions of Chinese interaction...
in their economy. If the population of the country is benefited by the development offered by the PRC through private or governmental interaction, if businesses grow then perceptions of that investment and interaction could be positive. However, if they are more in line with the Mauritanians, where the shop keepers and the people were all displaced by investment from China, then the people could perceive that investment very negatively.

**H3: African elites will have a favorable view of Chinese Involvement in their economies.**

Finally, I believe that the upper-class section of society will have the most beneficial relationship with the Chinese. This is due in part to the larger amount of direct investment that is normally handled by the Chinese investment partners.

The African elite will continue to pursue economic intervention through investment from the PRC in their country. The foreign firms that invest in Africa often are prestigious employers, offer above average wages, and provide training and a substantial upgrade on the employee’s market value. This is in addition to the rents that can be extracted by excessive FDI inflows (Taube 2003). Making any dealings with a Chinese-based company can be very attractive to African elites, who will receive the largest share of the benefits such as prestige, money and influence in their society which are all associated with Chinese business. I also believe that there will be a linkage between the education level of a person and their perception of Chinese involvement.

This paper will use the definition of elite as those in government and those privileged wage earners (Nunnenkamp, Schweickert and Wiebelt 2007, 7)
Why are the perceptions of the people important?  
Do people without jobs, those with jobs, and the elite of a country, all have different perceptions of Chinese involvement in their country? By understanding if there is a large gap in the perceptions of each of these segments, we can begin to see fault lines in society. These differences will be addressed in more detail in each of the country specific chapters.

The World Bank defines poverty as living off of less than $1.90 a day (World Bank 2015). From 1990 to 2012, Africa as a whole reduced the overall percentage of people living in poverty from 56% to 43%. At the same time, the continent of Africa increased the total number of people living in poverty from about 200 million in 1990, to over 330 million people (Kathleen Beegle, et al. 2016, 1). Twenty-six of the countries in Africa are projected to double their current population in the next 25 years (UN 2017). Nigeria alone, will reach about 400 million people by 2050 (UN 2019).

In the last 20 years, Chinese government and private entities have increased their involvement in Africa (Landry 2019). While the Chinese in both private and governmental capacities have been economically involved in Africa for a comparatively shorter amount of time, their promises of increased prosperity have not resulted in the miraculous changes that were insinuated by increasing trade and economic links. This has resulted in a shifting change among some academics who think that Chinese involvement in Africa may not be the panacea for the poorest in Africa (Ngugi 2017).

Why does this matter to Americans? The Chinese are seen increasingly as a competitor to US strategic interests not only in Africa but in every theater in the world. This “Great Power Competition” is that “China and Russia want to shape the world in their authoritarian model” (National Security Strategy 2019, 4).
forefront in US Department of Defense writings and is an increased focus in policy and planning. Policy makers must know what the people think of China if they are going to work to equalize the footing and promote bilateral benefits.

This paper answers the question: is there a difference in opinion among the different income levels in African countries? I believe that dividing up the research along economic lines will help to differentiate among those with different interests in relation to China. Will we find that people without jobs have different perceptions of the Chinese investment than those with jobs? Or will we find that people with jobs have similar perceptions to the Chinese investment than those without? The paper must also attempt to understand the “Why” of the question. Why, do the different economic and social circumstances of African Citizens shape their perceptions of Chinese investment?

**Economic relationships drive perceptions of relationships.**

Africa’s population will outstrip China within five years and all of Asia in 30 years. There will be 1.5 billion people in Africa within the next five years, and within 30 years the UN estimates the continent will reach 2.5 billion (UN 2019). Nigeria alone will have more people than the United States by 2050 and will be the third most populous country in the world, accounting for about 400 million people (UN 2019). This has the potential to drastically change world markets. The United States of America has the potential to create many jobs within our own economy and in Africa if the US could capture even a fraction of that trade. As a result of the increased focus from China, India, and Russia, and the lack of interest by American investors and businessmen, China is reaping the dragon’s share of the economic benefits of African trade.
Figure 1.1 US and Chinese Trade with Africa

1 Amount listed in Billions of Dollars USD not adjusted for inflation
This chart shows the decline in the trade relationship between the US and Africa. The largest factor in the decline in African trade with the US is the decline in the energy imports, particularly Nigerian oil. (Smith 2019).

While Russia and India have made large increases in the amount of imports from Africa, the largest increase was with the People’s Republic of China. The PRC has increased money-making and job-making exports to Africa by 233%, directly impacting the bottom line and the employment prospects of hundreds of thousands of Chinese people in mainland China (Sow 2018).

Figure 1.2 Imports and Exports to Africa Focus on China

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2 All data is found on the Chinese National Statistics website. The information on international trade is split up by region and is found in chapter 11 after 2013. Before 2013, the information is found in chapter six. All data is delayed by one year. The data in the 2019 release covers 2018. I have cited the statistics as the years the numbers cover not the year of release.
While the European Union is the largest trading partner by volume, if China continues to increase at even half the rate of 2018, they will soon outstrip the rest of the world in total trade with Africa. Chinese trade with the world was about 4.15 trillion dollars in 2019 (OEC 2020). Approximately 200 billion dollars, or 5% of the total trade was from Africa (SAIS CARI 2021). During this same period, the GDP of China grew at 6.9% for the year (Wildau and Hornby 2018). With the increase in trade and investment options for Chinese business, and the accompanying imports from Africa, it is no wonder that China is placing such a huge emphasis on Africa. As the Chinese increase their investment and trade with Africa, the US government and private entities decreasing both trade and investment with Africa.
At the same time, the Beijing Consensus creates an alternative investment model which allows states to have the ability of self-determination without the threat of hegemony while still receiving large amounts of investment (Ramo 2004, 38). Instead of being focused on human rights and democracy, they can be focused on bringing people out of poverty (2004, 24-25). While China has managed to bring millions of people out of poverty, Africa has not. This disparity has the potential to change the public’s appetite for continued Chinese investment. It is only by appreciating the perceptions in society that we can begin to frame an understanding about the economic and social consequences for Africa, the PRC and America.

**A brief discussion on the three countries to study**

I have chosen to study Nigeria, Senegal and Mozambique. Each of these countries have a large Chinese presence for different reasons. Each country is also in widely separate parts of Africa, with different historical references and different cultural experiences.

Nigeria is critical to understanding how a different segment of African society views Chinese involvement. The Chinese are involved in the oil sector of Nigerian economy to increase exports to China and the light manufacturing and garment sectors to increase imports from China to Nigeria. In 2017, the Chinese and the Nigerian government signed a Memorandum of Understanding that outlined the “Made in Nigeria with China” plan (Ambassador Pinjian 2017). China recently announced that it has reached the milestone of 16 billion dollars invested into the Nigerian Oil Sector (Oduah 2019). China National Offshore Oil Corporation (CNOOC) has been investing in Nigerian oil since 2005. It is also the largest offshore oil and gas producer in China (CNOOC 2020). The last round of Afrobarometer surveys conducted in Nigeria showed
that 67% of Nigerians either had a very positive, or somewhat positive view of Chinese influence in their country (Afrobarometer 2016).

The US cannot force African nations and people to change through direct pressure, but if the way is shown through a change in the perceptions of the people, then the people can agitate for a change on their own. If the US understands the perceptions of the people on their growth path, they can best impact that perception. If that perception is not understood, then there will be no way to impact it.

**Additional practicalities and policy recommendations.**

A critical result of this paper will be on the ability of policy makers to understand the perceptions of the PRC investment in Africa. The section on policy recommendations will address how the American leadership could make changes to improve bilateral beneficial relationships. If this study shows that there is a negative perception of the Chinese in the countries in question, then this part will suggest some ways to move forward. It will suggest ways to both to compete and to learn from the PRC experience so that US policy makers can do a better job. If the study shows that there are positive perceptions, then this section will suggest some ways to co-opt and cooperate with the Chinese to increase perceptions of US influence in Africa.

The US Government is notoriously bad at messaging. For example, most of the world does not know that the US remains the greatest donor of aid to Africa (OECD 2018), and the US Government’s donations during the 90s and the early 2000s are the reason that the AIDS epidemic has subsided in 85% of the target populations in Africa (FDA 2019). An understanding of what economic groups think of the PRC, and Chinese investment in Africa, and gaps, or the lack of gaps between the government and the people, will enable policy makers to better direct policy messaging. This improved policy
and messaging can help to co-opt investment by the PRC public and private sectors to further American ideals, compete with Chinese intentions, and reinforce western style ethics in Africa. At the same time, policy can be crafted to help African nations and people improve their lives. Additionally, with proper application of the understanding of these perceptions and the gaps, or lack thereof, the US Government can begin to anticipate and then to plan for problems that may arise.
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A. and Peter S. Lynch School of Education Department of Counseling, Developmental, and Educational Psychology Counseling Psychology Program.


Chapter 2 A Brief History of African and Chinese Diplomatic and Economic History

Why Study the History
Sometimes people will question the efficacy of forming generalizations about the past across time and applying them to modern examples. It is generally accepted that a study of the past can give context and understanding to the present. “It would be far more startling to discover a kind of human knowledge seeking whose products could-alone among all human products-defy historical "gravity" and fly off the earth, escaping entirely their historical location (Segall 2006, 136).” The past helps to explain the present, as the actions of the past cause the present, and those actions, in turn, cause the future (Stearns 1998, 2). A brief understanding of the past interactions between the Africans and the Chinese lays a foundation to see where the interactions have come from and where they may go in the future. The study of history “has as much if not more to do with the present and the future (125).” For example, an understanding of American actions post WWI help to frame why the United States was reluctant to enter WWII. Similarly, an understanding of the actions of the Chinese and the Africans in Africa in pre-WWII times helps to frame their current actions. For example, in the past, Chinese and African interactions were focused on economic expansion and the monetary benefit derived from trade. The Chinese emperors ensured that they did not physically colonize Africa; currently, the PRC continues to restrain from militarily conquering and physically or politically colonizing Africa. The African nations and the PRC continue, as they did in the past, to focus on economic expansion and the benefits of trade.

As Gordon S. Wood stated in his book, The Purpose of the Past, “History is important to us, and knowledge of the past can have a profound effect on our consciousness, on our sense of selves. (Wood 2008, 8).” The historic context of the
Chinese explorations and the Africans’ trade focus helps to frame their perceptions of this relationship. This sense of self lays the foundations for current bi-lateral trade negotiations and exploitation of resources. A basic understanding of the past can bring insight into what the Chinese and the African nations hope to gain out of the new interactions, the shift in focus from the West to the East. It also helps to frame the why. Why are they focusing on each other, and why this shift to the east?

History also helps us examine the trends that have occurred in the past, allowing us to try and understand where these trends can lead in the future (Stearns 1998, 2). This analysis helps lay the baseline for future interaction and expectations. This study of past interactions can offer a blueprint of how people and societies have behaved in the past, so they may be able to anticipate how they will act in the future (Stearns 1998, 1). A rudimentary understanding of this relationship will facilitate our ability to grasp the basics of where the very diverse African continent is going in relation to China.

This paper will not attempt to explain the intricacies and aspects of every part of this interaction. That by itself is a subject for an entire series of books. This chapter will lay a rudimentary understanding of the historical context of China’s relationship with Africa, focusing on the basics such as trade and diplomacy. The diversity and level of Chinese governmental and private investment in African countries has a greater impact on the average person in Africa, due to the nature of the Chinese investments. These investments are mostly focused on infrastructure projects and things that impact a person’s ability to get to work and make a living. On the other hand, the perception among the people is that western projects seem to focus on good governance and abstract concepts that have minimal immediate impact on people’s lives, giving the
Chinese a much greater influence in the day-to-day activities of the average person in Africa.

**The Beginning of China and Africa Interactions**

The beginning of the historical account of Chinese and African interactions is mostly from the Chinese viewpoint, due to the lack of documentary evidence from the African side. There is precious little recorded about the perceptions of the Africans or their reactions to the Chinese traders. Thus, the history as we have it is written from a Sino-centric point of view. This is naturally focused on the Chinese trader’s ability to extract resources from Africa, which in turn benefits the people who financed their expeditions to go to Africa to bring back assets to the emperor’s court. What little we have been able to gather from the African point of view points to a much simpler trading scheme on their part. We do know that the African people traded their natural resources, such as ivory, gold, and slaves through Somalia and the west coast of Africa to traders from the Arab lands, the Indian region, and China (Morgan 1969, 18). There are additional accounts of trade and Chinese artifacts being found farther south in Tanzania (Cartwright 2019). This shows that the early Chinese involvement was most likely more substantial than previously estimated.

From times long past through the present, Chinese businessmen and leaders have had an interest in trading with Africa. This interest resulted in many fortunes being gained and lost. Beginning in the 800s, while Europe was dealing with the Viking invasions, China was invading its neighbors and exploring the ocean farther than any European had ever ventured on the seas (Rotberg 2008, vii). This quest to explore and discover new lands would continue for almost a millennium.
“Duan Chengshi, who died in 863 A.D., relates his account of what appears to be an early encounter with African herdsmen in the Yuyang za zu (Miscellany of Yuyang mountain),

“The country of Bobali [thought to be Berbera in Somalia] is in the southwestern ocean. [The people] do not eat any of the five grains but eat only meat. They often stick a needle into the veins of cattle and draw blood which they drink raw, mixed with milk. They wear no clothes except that they cover [the parts] below the loins with sheepskins. Their women are clean and of proper behavior. The inhabitants themselves kidnap them and sell them to strangers at prices many times more than they would fetch at home. The country produces ivory and ambergris”’” (Levathes 1994, 27)

Trade between the east African coast and the Chinese empire continued from the 800s through the 1400s. Though the records are scarce, scholars know that the Chinese traveled to Eastern Africa to sell silks, pottery, jade, and small statues. In return, they would buy slaves which were sometimes brought back to Guangzhou where they would be used as gatekeepers and perform other menial tasks (27). Zhou Qufei, a Guangzhou custom official, noted in his personal record entitled, Ling Wai Dai Da (Information on what is beyond the passes), that slaves came from a distant western Island. “In the west there is an island in the sea on which there are many savages. Their bodies as black as lacquer and they have frizzled hair. They are enticed by [offers of] food and then are captured and sold as slaves to Arabic countries, where they fetch a very high price”’” (Levathes 1994, 26) In addition to slaves, amber, wood and other goods were traded and brought back from up and down the east coast of Africa.

From the early 800s through the 1400s, China maintained an ocean-going trading empire. During the height of the influence of the Dragon Throne, Chinese ships were at least tacitly acknowledged as the Suzerain of the Malay Archipelago (Levathes 1994, 142). One of the pivotal figures in that trading empire was Admiral Zheng He. Throughout the course of Admiral He’s many voyages, he visited more than 30 different
countries and traded with kings and tribes along the east coast of Africa all the way down to Mozambique and Kenya. During his final voyage from 1431-1433, he traveled with 317 ships and over 27,000 soldiers and sailors under his command (Liu, Zhongping and Gregory 2014, iii). In the 1420s, Emperor Xuande was dealing with an annexation of Annam (present day Vietnam) that was going badly. The last voyage of Admiral Zheng, who was then in his 60s, was an attempt to regain international prestige and influence (Dardess 2011, 20-8). However, the overall cost of these fleets and the empire’s military and domestic campaigns from the time of Emperor Yongle in 1413 may have been two or three times higher than the entire annual tax revenue of the country (Dardess 2011, 20-7). With a military that was degrading and an expensive fleet to maintain, the obvious choice was to remove the most expensive and least used resource.

The closure of this chapter of Chinese exploration signaled a time of introspection, domestic focus and land-based Chinese empire building (Levathes 1994, 20). When the emperor decided that China no longer needed a naval power, it simply stopped (Dardess 2011, 1-15). Within 80 years, the Portuguese had conquered Goa, Malacca and established official residences in East India, filling the trading vacuum that was left by the abandonment of the Chinese international relationships. This inward-focused Chinese empire lasted for another 500 years and only came to a close in the early 1950s. It was then that China, under Mao Zi Dong, began to look for alliances in Africa to counter the diplomatic power of the USSR and the US.

With this brief understanding and historical context of the last 1500 years, we can see that the People's Republic of China is not establishing a new series of trading partners or a new avenue for gaining resources and influence. The People's Republic is renewing what was, until the final voyage of Admiral Zheng He, a trading venture that
directly benefited the Chinese court and the Africans with which they traded. The current focus on Africa is an expansion of the previous episodic interaction. The new focus seeks to change this episodic exchange into a permanent and long lasting exchange.

This history of African trade with China and with the Arab nations had both positive and negative side effects. It assisted with the establishment of large cities on the east coast of Africa and doubtless raised many people out of poverty. It also perpetuated the extraction of mineral resources and the slave trade. Both sides benefited from this relationship in ancient times, and both sides continue to benefit today. While the slave trade is not currently as prevalent as it was during the ancient historical times, the extraction of mineral resources continues to this day. These mining operations bring with them larger cities, a reduction of the poverty level, the riches of trade, as well as environmental damages and inequality. “No world power, not even during the official colonial period, had an appetite [for raw materials] equal to China’s today. (Rotberg 2008, 1)” There is a great opportunity to benefit from Chinese investment just as there a great opportunity to be cursed by the Chinese interest in raw materials. The African Development Bank Group (ADBG) estimates that Africa will need 130-170 billion dollars of infrastructure financing a year with a financing gap of almost 100 billion dollars (ADBG 2019, 63). In this area alone China is one of the greatest catalysts for change in Africa. The Chinese government and private companies need the resources that African nations can provide. Africa has the natural resources, and the PRC has the need. The PRC also needs to export excess capacity to Africa, and the African nations need less expensive products. If African nations can utilize the loans, opportunities and financing from China, this engagement will become a win-win opportunity for both sides.
A Short Discussion of Diplomatic, Economic and Military History

Pre-modern African Approach to China Relations

During the modern era, prior to the end of Colonialization, African nations were unable to dictate their own foreign policy. Before the beginning of European settlers and their historical records, there are no records that I was able to find that state that any African nation established a permanent, or long-lasting diplomatic relationship with any of the Chinese emperors or their emissaries. This is not out of the norm as the establishment of formal diplomatic envoys and permanent diplomatic enclaves only became a regularly established practice during the 1500-1600s in Europe (eDiplomat 2016). Louise Levathes in her book on the history of the Chinese naval empire When China Ruled the Seas stated that the only time official diplomatic envoys arrived from Africa was in 1416, when envoys arrived from Mogadishu, Somalia and Malindi. The few other times consisted of animals arriving at the emperor’s palace (see below for artist’s rendering of this event). There are no other records of official diplomatic interactions between pre-modern China and pre-modern Africa. (Levathes 1994, 142, 149)

Figure 2.1 Painting of Giraffe being delivered to Chinese emperor 1400
Therefore, we can assume that any political overtures were limited in scope to these small diplomatic interchanges that did not evolve into permanent embassies or emissaries at either court. It also appears that none of these trading relationships or the exchange of gifts was instigated at the behest of the African interlocutors³. At the same time, there are no records of the Chinese seeking to establish permanent or even semi-permanent Chinese enclaves in Africa or in any African trading posts. All relationships revolved around the short-term monetary benefit that either side could gain from one another. This lack of permanent, or even transitory diplomatic relationships on the part

³ I base this on the fact that there are no records of African nations engaging in the type of sea going trade and exploration that they would have had to do in order to initiate these political exchanges.
of China and the African nations ensured that any relationship would be transactional and temporary in nature.

China has had a transitory relationship with Africa from the earliest days, through the height of its pre-modern international power (800-1400AD). This time, they are changing that paradigm; the Chinese are in Africa to stay. They are no longer only interested in extracting resources and leaving the donor countries. The PRC is now establishing formal diplomatic enclaves and envoys, establishing long lasting economic ties with legal bindings, and they are building institutes to further Chinese culture and spread Chinese culture all through Africa. These are institutions that last a long time and endure for decades; China is truly in Africa to stay and interact for the foreseeable future. There will be no retrenchment from African diplomatic and economic interaction.

**Post 1960 Africa Diplomatic Relations**

During the same time that China was going through their own inner turmoil and recovering from the Cultural Revolution, African nations were throwing off the yokes of colonialism and becoming free and independent nations. For the first time since before the Europeans began to establish colonies in the 1400s, they were able to determine their own foreign policy. During the Cold War, the US and the USSR maintained only peripheral interest in Africa. During the entire Cold War, Africa never took priority over South East Asia, the Middle East, Europe or even South America for any extended period of time. Any interaction by either of the side of the Cold War was tied to a focus on democracy (Western ideals) or with a focus on communism (Russian style) on the other side. Both sides continued their fight without regard for the long-term impacts on
the population. This did not generally endear the peoples of these newly independent countries to either side.

At the same time that the great powers were focused on the Cold War, the PRC needed to begin building recognition and international partners who would not place large amounts of stress on their burgeoning economic abilities and would not directly entangle them in the Cold War. Additionally, they knew that if they were to ever gain international recognition for the Peoples Republic of China, they would need the votes in the UN. Africa was the perfect place for China to begin seeking partners. Beginning in 1956, about 6 years after the conclusion of the Chinese Civil War, the PRC started to reach out to countries in Africa (Dupuy 1969). The first overture was to Egypt, followed by Morocco and Algeria, then Sudan and Guinea (Embassy of the PRC in South Africa 2004). Following these initial countries, China gradually expanded its presence in Sub-Saharan Africa by increasing the number of diplomatic missions, cultural exchanges, scholarships and economic linkages. By the early ’70s, the PRC had gained enough influence such that in 1971, when UN resolution 2835 came up, over 1/3 of the votes for the PRC came from Africa (UN 1971). This was the resolution that transferred the seat held on the Security Council by the Republic of China to the People’s Republic of China. Without those extra votes, it would have been difficult, if not impossible, to win the resolution and force the ROC to abdicate their seat on the Security Council to the PRC.

Another part of the diplomatic efforts of the PRC involves their continued efforts to sideline Taiwan. If any African nation recognizes the ROC, that country loses the ability to host a diplomatic mission from the PRC. “The Chinese Government appreciates the fact that the overwhelming majority of African countries abide by the One China Policy, refuse to have official relations and contacts with Taiwan, and support
China’s great cause of reunification” (Xinhua 2006). The Chinese are not hesitant to use this policy to ensure that countries recognize the One China policy, no matter the condition of trade or the age of the diplomatic mission. In February of 1961, the PRC established a diplomatic mission in the Democratic Republic of the Congo (DRC). This relationship continued for a few short months until September of 1961 when the DRC switched sides and gave diplomatic recognition to the Republic of China in Taipei. The PRC refused to establish or maintain any official diplomatic relationships with the DRC until 1972, when the country changed sides and acknowledged the PRC in Beijing as the legitimate government for all of China (Chinese Foreign Ministry 2006). China has continued to steadily increase its presence in Africa, and it currently has diplomatic missions with every country in Africa except Swaziland, which maintains ties to Taiwan (VOA 2018).

The older, more established world powers such as the United States, the UK, and Germany often take a brief interest in a nation during a time of Crisis, such as Rwanda during the Hutu and Tutsi genocide or the Democratic Republic of the Congo during their war and humanitarian crisis. Once the problem is over, these countries return their focus to Europe, the Middle East or SE Asia. They treat Africa more like a fire that needs to be put out before it damages the whole community (Fearon and Laitin 2004, 13-14). Even though there are some who call for long term engagement at the national level by the UN or western powers, these calls, cries and commitments for international assistance in Africa wax and wane with the winds of political fortune by the western world leaders⁴. In contrast, by 1978 China had more aid programs in Africa than the

⁴ An entire book could be written on the reasons why this happens and the implications for relationships with the developing world. Unfortunately, I do not have room in this thesis to write all I would like to say about that topic.
United States did, exemplifying their commitment to continued engagement (Brautigam 2011, 42).

China began to publicly work on the diplomatic unification of Chinese and African economic goals with the first ministerial conference in Beijing in 2000. The opening up of Africa to Chinese economic interests allowed China to begin exporting larger amounts of goods to Africa. This in turn allowed the importation of goods which would potentially provide the African nations’ people with a higher standard of living. The Chinese in exchange, agreed to fund infrastructure projects in Africa, thus facilitating trade and encouraging job growth and economic development in Africa. Before this conference, the interactions had been very minimal, focused on single nations and direct relationships. The new conference brought quite a few more nations into the process, a degree of publicity, clarity and openness to the process. The conference led to the creation of the Forum on China Africa Cooperation (FOCAC) in 2006 (Xinhua News 2006). The FOCAC 2006 conference in Beijing hosted 44 out of 54 African leaders and economic ministers. The first meeting paved the way for successive engagements that continues to run every three years. Each conference gains more visibility and hosts a greater number of African leaders, which in turn increases the diplomatic and economic influence China can exercise in Africa. Egypt, Ethiopia and South Africa have all hosted a conference, with every other meeting being held in Beijing. The 2018 conference in Beijing had a high-level representative from every country in Africa, with the exception of Eswatini (Swaziland) (2018 FOCAC Summit 2018). Such a high level of diplomatic exchange is not generally afforded to African

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5 This number was gathered after going through the videos of the initial greetings of the Chinese counterparts for every senior African leader that attended the conference.
countries by the western world, or any other great power. This high level of diplomatic power has resulted in a favorable balance for China in trade, and in diplomatic victories. Starting with the revocation of Taiwan in the UN, in 2007 only 10 out of the 54 nations in Africa sided with the west to denounce N. Korea’s human rights record; the others followed China’s example. Then in June of 2019, 43 African nations signed a pledge and followed China’s example to request that the US lose its veto power over WTO appellate judges (Miles 2019).

The Chinese method that started in the early 2000s is more akin to a stream of water. In the beginning, it is not a large amount of water, but the channel is carved in a slow and steady way through many small exchanges and minor projects. After some time, the PRC has established channels, paths and ways of getting around obstacles in their way much like a river, and like a river they can increase the flow of interaction without going out of bounds and causing excessive disruption to the system. This interaction over the last two decades has eroded a large amount of the opposition from the people and created avenues and opportunities for the Chinese investors and PRC officials to do business in Africa.

**Modern Economic Linkages**

It is not abnormal that large economies would seek to provide loans and increase aid to smaller economies in order to stimulate their own economies. In fact, in US politics, the act of sending taxpayer dollars over-seas in order to facilitate the economic growth in political constituencies has been debated since the 1980s. Representative Evans from Ohio who is quoted by Helen Millner and Justin Tingley in their work, *Sailing the Water’s Edge the Domestic Politics of American Foreign Policy*, stated “Already 40% of our exports are sold in the Third World. This is important to American
jobs, and for every billion dollars of exports it means 40,000 jobs (2015, 87).” This argument continued through the ’90s with another Congressman; Congressman Obey who stated, “American firms have received 39% more in procurement last year than the US contributed to all the development banks. We contributed $1.6 billion. American corporations wound up earning $2.2 billion from that same World Bank in their programs (88).” While his comments are talking about aid to the world, the same logic also applies to aid for Africa. There is a clear linkage between foreign aid and domestic job creation. The US government is not the only nation on the earth to recognize and utilize this.

The Chinese and African economic partnership is quite different than it was in previous eras. During pre-modern times, it was a transactional exchange that did not result in long term relationships. After a break of a few hundred years, both sides seek to establish an enduring relationship that builds on the episodic relationships of the past and forges a way into the future, China started economic relationships with Africa long before the opening of China’s markets and the Chinese rise as an economic powerhouse. “From 1956 to 1987, China provided Africa with nearly 4.7 billion dollars in aid and assistance.” While the 4.7 billion in aid and investment was small compared to other nations such as the US with billions of dollars, it was significant for the Chinese. “It accounted for 62% of the entire financial worth of Beijing’s global overseas assistance program” (Taylor 1998)

The first large-scale project that began to carve out waterways for Chinese future investment of China in Africa was the Tanzania-Zambia Railway. This project began in the 1970s. At that time, China was just starting to grow and industrialize. Between 1970 and 1975, it gave a zero-interest loan for 988 million RMB to construct this railway
which is still in use today. (TAZARA 2020). For the first time in history, China gave away capital without expecting much in immediate return, in anticipation of future gains.

Under Deng Xiaoping in the 1980s, China began to open up and reform an agrarian society into the industrial powerhouse they are today. This changed the need for industrial resources. By the end of this 20 year period, the PRC could no longer support itself solely with domestically produced materials. Additionally, the increased industrialization and export markets of the 80s and 90s gave the PRC the capital to begin in earnest the process to go out and find new markets for both buying and selling. This newly assertive Chinese presence in Africa began in earnest with the steadily increasing amount of aid and investment in the early 2000s. At the start of the modern engagement, Chinese policy makers were able to take the long view and invest in projects with no return, such as the Tanzania-Zambia Railway.

Presently, they cannot afford the luxury of waiting decades for a return on investment. We see from the picture below that as China’s GDP grew, their need for imports from Africa grew as well. With the exception of a surprise drop in 2016, imports from Africa have steadily risen.
China is an exceptionally large economic powerhouse, and it needs the resources provided by Africa to continue to grow and provide a way for its people to rise out of poverty. In order to continue to grow, China is using the tried-and-true western method of commodity backed loans. Whereas the western countries previously made limited loans to a few select, more stable countries, such as Ghana and Angola (Sun 2014). The McKinsey report entitled “Dance of the Lion and the Dragon” estimates that almost 12% of African industrial production and 50% of the international construction contracts in Africa are handled by Chinese firms. (Sun, Jayaram and Kassiri 2017, 12). With more than 10,000 different firms engaged in Africa, the Chinese have increased the scale.

6 The small blue line is the PRC's GDP data from the world bank. The bar graph is China and Africa Trade data from SAIS CARI.
breadth and depth of this method to impact in varying degrees almost every country in Africa (41).

According to research done by the China Africa Research Initiative (CARI) at Johns Hopkins, only 3 out of the 54 countries in Africa have not received a loan from a Chinese entity (Chinese Africa Research Initiative 2020). The countries that have not received loans are not stable, or they are not open to Chinese investment and have extremely limited resources available, such as Libya (lack of stability) and Somalia (both lack of stability and limited resources). Or like Eswatini, who continues to recognize the Republic of China (Taiwan) as the legal voice of the Chinese people. Other than these two limiting factors, China is less selective in whom they give loans to, particularly in regard to good governance issues. For example, Zimbabwe is a major recipient of Chinese investment and loans. This is also where President Mnangagwa recently launched an initiative for the removal of “bureaucracy and red tape” to “expedite business decisions and speed up the commitment of investment funds. This will be a boon to both the Chinese risky capital and huge consumption markets” (Mutsvangwa 2021) While these loans may be selective in their ability to make a profit, the expansion of Chinese capital occurs in many areas that western governments and businesses are unwilling to invest in.

These loans serve two purposes; the first is that they provide assistance to the African governments that cannot go elsewhere for loans. This capital provides jobs and much needed infrastructure to African nations. The second group that benefits from these loans are the Chinese corporations that receive the contracts for these loans (Horn, Reinhart and Trebesch 2020, 10). The majority of the PRC public or private loans are focused on these large infrastructure projects or other high visibility projects.
Only 3% of the loans fund water projects, and .03% fund food security projects (Atkins, et al. 2017, 8). While the PRC does not fund many water and food security projects, the entire continent of Africa has a major need for infrastructure investment with an estimated infrastructure deficit of 68-108 billion dollars a year (ADB 2018).

The loans are often disbursed right before a large investment by a Chinese SOE. In 2007, the DRC agreed to sell one of the biggest copper mines in the world to the China Railway Company, only after the Chinese agreed to pay $350 million in entry fees, $50 million in loans to secure mining equipment, and agreed to construct 3 billion dollars in infrastructure projects. These projects would be financed out of 66% of the profits from the mine7 (Zheng 2008). China has also used this method in Angola where in 2004, Sinopec’s purchase of a 50% stake in oil block 18 happened at the same time as the release of the first part of the Chinese Exim Bank’s loan financing the Angolan government. In 2005, Sinopec was able to purchase an additional block when the Angolan nationally owned oil company, Sonangol, did not renew the French company Total’s contract for another oil block. This also coincided with the disbursement of a 2 billion dollar loan to fund infrastructure reconstruction (Corkin 2011). The diversity and level of investment by Chinese state sponsored corporations in African countries goes deeper and is more pervasive than government sponsored western investment and thus has a much greater impact on the day-to-day activities of citizens of the recipient countries. The Chinese investments enable influence that can complement or in some cases rival Western influence.

7 Translated by the author May 2020
Another critical aspect of the history of Chinese investment in African countries over the years, as a report by the Brookings Institution showed, the aid for infrastructure is often tied in such a way that it favors Chinese companies who bid on the projects (Sun 2014). This leaves many Africans without the full benefits of this investment for economic advancement, as Chinese aid is largely fed back into the Chinese economy and Chinese corporations. The increase in Chinese construction loans should provide jobs and managerial experiences for many African people; however, this is often not the case. Lucy Corkin of the Chr. Michelson Institute (CMI) in Norway wrote that in the case of the Angolan deals, “the agreement that the public tenders, for the construction and civil engineering contracts tabled for Angola’s reconstruction, will be awarded primarily (70%) to Chinese enterprises approved by the Chinese Government (2011).” Additionally, in an interview on China Radio International (CRI), Professor Liu Hongwu, who is vice president of the China Research Association on African Issues and dean of the Institute of African Studies at Zhejiang University stated, “我如果给非洲提供10亿元人民币的援助，同时中国还会在非洲得到10亿美元的劳务承包合同”。通俗点来说，在非洲随处可见中国承揽的工程和劳务承包，“这当然是赚钱的.” “if we provide 1 billion yuan in aid to Africa, China will also get 1 billion U.S. dollars in labor contracts in Africa, in layman’s terms it is profitable to see Chinese contracts and labor in a lot of places in Africa (Jiang 2013).”

In Ghana, now the largest source of African Students in China, there exists a disparity between the working class and the elite’s perceptions on China. “When the Chinese come to Africa, most of the projects are Chinese-built with Chinese labor and

8 Translated by the Author June 2020
materials,” says Kwasi Prempeh, executive director of the Ghana Center for Democratic Development in Accra. While Ghanaian elites have responded enthusiastically to China’s growing influence, he says, “it doesn’t resonate well with the average African. I don’t think there’s a lot of love lost at the popular level.” (Pilling 2018) At the same time, there are some who see that impact and are grateful for anything that can be done to alleviate their situation. When I was in Ethiopia, the people that used the ring road that China had helped build and finance were very grateful for the road. They said it reduced travel time and made their lives easier. At the same time, they wished that it was built better and the road all the way around Addis was completed before the Chinese contractors left.

China has acknowledged this negative perception is hurting its branding and is working to correct it. The School of Oriental and African Studies University of London recently published a report highlighting this rebranding. Angola’s construction sector had less than 50% domestic participation in the labor market until a few years ago when that began to change. The rate for local hires in the low skilled and semi-skilled sectors is about 74% in Angola (Oya and Wanda 2019, 2). They are also working on this rebranding with behind-the-scenes work in Ethiopia where the Chinese built their biggest industrial centers, but are now in the background rather than directly involved with the hiring and firing of workers. This has allowed the Chinese to keep partially distanced from the internal disputes about wages and living conditions. The continued perception that China does not hire locals and only extracts resources without increasing the living standards of those they employ could support a negative perception of the Chinese government. An understanding of this perception would allow the US to identify opportunities for US policy to present alternative models and incentives.
Military Linkages

This thesis will not focus on military relationships, but the increasing frequency of these interactions is directly tied to both the economic and diplomatic exchanges already touched on. Prior to modern times, China did not maintain or establish any military relationships. Admiral Zheng He traveled with thousands of military soldiers with him; however, he did not use those military assets to establish dominance or to subjugate nations for the Dragon Throne. The only recorded instance of his use of military force was in the destruction of the pirate fleets operating near the straits of Malacca (Levathes 1994, 102). This was done to protect the shipping lanes from the pirates that were getting increasingly bold. Until the early 2000s, Africa represented less than 15% of all Chinese arms sales (China Power Team 2020). In the last decade it has risen to 20% of all sales and has the potential to go even higher, as “Beijing has been quick to adapt” and to “fill the void left by other suppliers (2020).” This void is the result of western nations’ unwillingness to sell the more advanced weapons to some nations. These more advanced weapons are limited to allies and partners that, for the most part, could produce them on their own. For example, the Missile Technology Control Regime (MTCR) restricts the sale of “unmanned air vehicle systems..., target drones and reconnaissance drones, capable of delivering at least a 500kg payload to a range of 300km (US GOV 2021, 121.16, 2-1). The largest void in supplies has not been the normal small arms, armored cars, tanks or the older jets; it has been the newer technologies, drones and jamming equipment, both of which are restricted from exporting by US law (121.16, 2-1, 11-2). This void has been the one of the largest growth markets for Chinese exports to Africa.
One of the critical aspects of the Chinese weapons sales is that these weapons have been found directly contributing to domestic insurgencies or violent repressions by the government. For example, in 2014, China North industries (NORINCO) delivered “100 guided missile systems, over 9,000 automatic rifles, and 24 million rounds” for those weapons to South Sudan where they were most likely used in scorched earth campaigns (China Power Team 2020) (Kuo 2015).” Additionally, Amnesty International found that in the DRC at the location of a mass rape and other human rights violations, the weapons and some of the ammunition used to commit these atrocities were directly linked to Chinese suppliers (Amnesty International 2012). This public pushback from notable groups such as Amnesty, Oxford Research, and the Stockholm International Peace Research Institute (SIPRI) has not completely stopped Chinese arms sales to African nations (Conteh-Morgan 2017). Instead, The PRC has become more circumspect in their sales and quiet in the publication of this information. This lack of public knowledge, and quietness on the sales of weapons, has kept the world from seeing where weapons are being sold, ensuring that their public image is able to recover from the stains of the past mistakes. This helps all levels of society keep a positive image of China as a whole.

Where we go from here

George Santayana’s quote states: “when experience is not retained ... infancy is perpetual. Those who cannot remember the past are condemned to repeat it” (Santayana 1980, 284). In this case, China did not establish long-term relationships with African nations in the past. Thus, the power, wealth and influence that was gained by the European settlers was unavailable to the Dragon throne. The PRC has learned from this strategic error of the past and they are ensuring that the long-term
commitments they have with Africa will bear fruit for decades to come. On their side, African leaders recognize the benefit of working with China for short-term gains and financial benefits in conjunction with long-term development aspirations. They also recognize that they do not have the capital or the ability to accomplish all that they must do at this time. Their economies need to advance very quickly to keep pace with their growing population. Africa needs to make sure that it is not forgotten by the rest of the world while they develop to ensure stability.

Africa cannot afford to be forgotten; they cannot afford to repeat the past. By providing a majority of the raw copper, cobalt, gold and manganese that are imported into China (OEC 2018), African nations are ensuring that they remain a focus point for decision makers in the PRC. Perhaps most interestingly as this study will show, African nations are also providing an increasingly important source of export revenue for China, ensuring that Africa is a focus point for business and the private sector as well. This diagram shows that only a handful of the 54 nations in Africa showed decreasing imports from China in 2019.

Figure 2.3 Increase and decrease of export from China
Every other nation had increased imports from China. This export revenue will play an even larger part in the future as the two parts of the world become more intricately linked and the population of Africa increases to match then surpass the population of China.

The historic interactions between China and Africa have spanned hundreds of years. Prior to the modern era, the engagements were sporadic. An awareness of the historic episodic connections between these very different entities lays the foundation for a basic
understanding of where these countries can go from where they are now. This relationship will be a “continuously reinvigorated, mutually, reinforced, interactive relationship [that is] tight and will for decades grow ever stronger, and more thoroughly intertwined” (Rotberg 2008, 1). The establishment of a continuous presence is a departure from the pre-colonial times. By attempting to understand this relationship in the context of the former relationship, we can start to influence the actors. This understanding of the perceptions of the people will lay the foundation for future US interactions in Africa.
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Kenya Chapter 3

A brief discussion

Kenya and China have a history of trading that stretches back hundreds of years. In fact, Kenya was one of the places that Chinese traders visited in the dawn of the first Chinese “going out” (Levathes, 1994, p. 104). This first period of exploration started in the early 800s and ended with the final voyage of Admiral Zheng He in the early 1400s. During this time, the Chinese sent out massive “Treasure Fleets” that voyaged as far down as Tanzania and traded extensively across the Indian Ocean (110). After the Chinese abandoned the ocean and turned inward, Kenyans did not have any further significant diplomatic or economic interactions with China until Kenya fought against the British Colonial government during the peasant rebellions in the 1950s. During this time, it is speculated that in addition to Soviet assistance, the Mau-Mau rebels also received assistance from the newly formed Peoples Republic of China (Adem, 2016, p. 11). A few of the leaders of this rebellion would go on to form the core leadership for the newly independent Kenya and they would maintain their Pro-China sentiments until the late 1960s and early 1970s (Branch, 2011, pp. 8-11).

This relationship continued in the informal stages until 1963, when the PRC became the fourth country to open an embassy in Nairobi (Xinhua, 2003). Unlike other African nations, Kenya has never switched diplomatic support from the PRC to the ROC and back. They have maintained diplomatic allegiance to the PRC without fail. After independence, the Kenyan government was among the first nations to send delegations to view the farming and textile industry achievements that were being showcased by the
young People’s Republic (Adem, 2016, p. 12). The relationship between Kenya and the PRC cooled significantly in the face of Zhou En Lai’s calls for revolution in Africa. This call for revolution was especially bothersome to Kenya as the government “intend[ed] to avert all revolutions irrespective of their origins or whether they come from inside or outside” (p. 16). During this same time frame, the PRC was supporting a revolution in Zanzibar. Shortly after the revolution in Zanzibar, there were military actions in Kenya, Tanzania and Uganda (pp. 15-18). The revolution and possible revolutions had a chilling effect on the Kenyan government. The public, for a time, was opposed to having any Chinese presence in their country with several demonstrations outside the Chinese embassy (17). However, these overtures ended with the political fall of Kenyan opposition politician Odinga Odinga. Odinga a leader of the pro-China, pro-revolution faction, though a member of the Kenyan political establishment. His removal from power stopped PRC-sponsored attempts at encouraging revolution in Kenya. The diplomatic relationship was not immediately restored in the warmest regards, but continued on an official basis. The relationship remained on the lower priority list for both countries for about 10 years.

Starting in 1980, when the PRC began to warm to the outside world after working through the troubles of Cultural Revolution and the Gang of Four, Chinese leaders once again began to reach out to African nations. The first visit of importance to Kenya was Vice Premier Ji Pengfei (1980) and Premier Zhao Ziyang (1983) these visits served to encourage trade and diplomatic ties between the two countries. Premier Zhao would continue to visit every four years until 1996 when President Jiang Zemin visited. In 2000 Li Peng, Chairman of the Standing Committee and Wang Zhongyu, secretary-general of the State Council visited. Li Tie Ying of the CPC Central Committee visited in
2001 and Premier Zhu Rongji in 2002 (Kioko, 2011, p. 11) (Chinese Foreign Ministry, 2006). The final visit of substance was President Hu Jin Tao who visited Kenya in 2006. The outcome of this visit was a Chinese trade exhibition in Nairobi in mid-2006. Since 2006, the number of high-level delegations has tapered off. This tapering off is partially a result of the reluctance on the part of the Kenyan government to show to the general population how deeply entrenched the Government is with China (#1, 2021). Given that the pace of projects does not appear to have diminished, the overall effect on the average Kenyan is negligible.

The leaders from Kenya and the PRC use these interactions to make deals for infrastructure projects. By increasing exposure to the benefits of Chinese investment, these projects directly impact the perceptions of the average Kenyan on China. The owner of a tourism company stated “The SGR is great. The Chinese did a great job” (#7, 2021). Additionally, while the people may be losing jobs in an oblique manner to Chinese imports, the government is able to provide additional jobs through the expansion of the economy accomplished by investment in local projects. A report by McKinsey & Company reports that on average, 89% of the employees of a Chinese firm are African (Sun, Jayaram, & Kassiri, 2017, p. 13).

This statistic puts the employment relationship in contrast to what most western media portrays as completely Chinese owned and operated businesses running everything (Kaiman, 2017; Kuo, 2016). In the same report, the authors acknowledge that Chinese owned corporations are reluctant to promote local workers to management positions (41). However, in spite of this lack of managerial experience and opportunities, in a majority of the interviews that I conducted, the least affluent people were very happy with the Chinese investment. The richest would express some displeasure with
the way things are going, “The rich do not like China as well because they have made it easier for everyone to get in on the action. It is easy to get a visa to visit China and they are making it easy to export to China, but the Chinese do not want what we are selling” (#7, 2021). Even though the wealthy I talked to did not like some aspects of Chinese investment, by and large they were very positive in their impression of China, Chinese people, and the PRC government. From 2015 through 2019, the positive perception of Chinese influence has declined. This decline is due in part to the public discussion in Kenya on the merits of Chinese offered developmental debt. “The biggest reason for a shift is the media is free to report on Chinese debt and the media is generally anti-China debt” (#1, 2021). The majority of Kenyans still view interaction and engagement with China to be to their benefit and that of their country. As a respondent in the Kenyan Defense Force said, “Chinese training is not as good as American training, but Chinese society is amazing.” He goes on to say, “When I was younger, China was like us - poor, and could not build a skyscraper. Now Skyscrapers in every city; they are doing so well. They are demonized by you Americans but look how far they have come. This is a good model” (#2, 2021).

**What does Kenya seek from their relationship with China?**

Kenya faces numerous challenges that are fairly common across Africa, such as conflict and a steadily growing population. China provides abundant and direct assistance to help Kenya combat these issues. Kenya is currently experiencing a constant, low-grade conflict on the northern border with Somalia against Al-Shabaab. This conflict has driven the military to seek new ways of combatting the instability. This includes increased interaction with the PRC to the detriment of British and American commitments (Stephen, 2021). Due to the speed at which the Chinese can move military
vehicles, and the responsiveness of the Chinese government to short notice requests, the Kenyans have started to shift portions of their acquisition to China. “We are in combat against al-Shabab we do not like Chinese APCs but we have no choice. We need it right now. I have had some soldiers die because of the Chinese models but we need something now” (#2, 2021). Another problem is the growing population that needs a rapidly expanding GDP to ensure jobs and opportunities. The young population is able to work and is hungry for more opportunities, so the problem can turn into an asset if the government and society can create the required growth. Blessed with a population that is educated, and a robust service industry (Fengler, 2010), Kenya is poised to expand and grow at an exponential rate in the next few years.

The population of Kenya will continue to grow, such that by 2040, Kenya is estimated to have a population of about 80 million people. This is a growth of over 20 million people from their current stand at about 57 million (UN, 2019).
This population pyramid shows that in less than 20 years, there will be almost double the number of 30-year-olds than there are right now. A lot more Kenyans will be entering the work force and wanting jobs. By the time they are 30, these people will need to be able to provide for a family and have children. This means that just like Nigeria, Senegal, and all of Africa, Kenya needs growth. They need growth to create the jobs to ensure a peaceful development trajectory. Kenya and Kenyans need development; they need infrastructure development, and they need capital to invest. In
order for Kenya to continue to rise in a peaceful way that ensures that the average
Kenyan can support their family and provide for their children, Kenya needs outside
assistance. The situation is not as immediately pressing as Nigeria, as the population is
not increasing as fast and will probably never reach the same levels of population
density of Ethiopia or Nigeria. The government and private investors in Kenya simply do
not have the capability to create the necessary projects to ensure the successful
continued expansion of Kenya. This is where Chinese loans and projects come to play.

Even though China’s aid is ‘tied’ to using Chinese companies and procurement of
materials in China, some officials believe that “China is perhaps one of the most price-
competitive sources, whether its development aid is ‘tied’ or not” (Mutuku, 2014, p. 71).
“All transactions are pragmatic. We need roads and infrastructure” (#1, 2021). The
official I interviewed went on to say that “they (the Chinese Companies) complete these
projects faster and better than Kenyan companies can or will, so it is all we can hope
for.” Another business man I was able to talk to said, “The Chinese show up and they do
not buy anything from the local villages. They bring in machinery, food and they even
bring in their own cooks. The jobs they give pay, but they are menial. That does not
really help the local area. With the length of the contracts, if they would just hire local
women to cook for them, it would really help out” (#9, 2021).

Kenya is benefiting from Chinese investment, and most Kenyans agree that is the
case. While the Chinese are causing some amount of tension generally speaking, the
Kenyans are pleased with the work provided and understand that no other nation is
providing similar projects. As a result, they are willing to tolerate the potential negative
impacts on their lives in order to hold out for the positive growth that they hope will
come as a result of infrastructure development and greater access to markets.
What does China want from Kenya?

Kenya is not a huge player in the international oil market, nor does it have vast reserves of natural resources that will be able to fund Chinese factories. In 2018, Kenya only exported $67 million in raw minerals and $5 million in copper products. Their total exports to all Chinese industries were a paltry $127 million (OEC, 2019). After oil exploration began in 2011, Kenya just exported their first shipment of 200,000 barrels to the PRC in 2019 (Yukudo, 2019). This was after the PRC agreed to partner with Kenya on oil and gas exploration in the rift valley in 2016 (Agnon, 2016). After seeing the possibility of oil exploration coming online, China agreed to build an oil terminal in Mombasa for almost $400 million dollars (GCR, 2018). However, this terminal may never come online as there has not been any word since the initial announcement. Clearly Kenya is not the source of investment for the purposes of exploitation of natural resources.

What Kenya does have is access to the markets in the center of Africa and stability. Kenya is strategically positioned close to Djibouti and is a major player in the Eastern African Community (EAC) which includes Uganda, Kenya, Rwanda, South Sudan, Tanzania and Burundi. Perhaps the most important part of the PRC outreach to Kenya are the Kenyan logistics terminals which provide direct access to the export markets for the entire EAC. Kenya is also a very stable government. Kenya has only had to endure one failed coup in 1982 (Branch, 2011, p. 157). Since that time, Kenya has not had to endure the risks of a military takeover of the government. Political transitions have continued in a fashion that is encouraging to outside investors and the Kenyan people. Stability and access are what matters the most to the PRC.
The map above shows the EAC, which has a combined GDP of almost $200 billion (EAC, 2019). Kenya is the main corridor for a large portion of these imports. Of these imports, a large number of them come from Chinese factories; 24% of the imports into Kenya come directly from the PRC, compared with 16% of the imports for Uganda, 12% for Burundi, 27% for Tanzania, 8% for Rwanda, and 10% for South Sudan, all originating in China (OEC, 2019). It is very easy to see why China is interested in increasing market share in these countries. China needs access to Kenyan markets much the same way that China needs access to Senegal; not for the resources offered, but for their markets and for the political influence that comes with access to those markets.

An example of this is the Standard Gauge Railway project, referred to by Kenyans as the SGR. There is no doubt in anyone’s mind that Kenya needs to overhaul its rail transport to maintain competitiveness. The rail line project that ensures Kenyan and Ugandan exports can reach the Indian Ocean in a more expedient time also ensures that
Chinese goods coming from the Indian Ocean can reach markets faster, farther and cheaper into Africa. The access through the Eastern African Community provided by Kenya has allowed China to increase exports to the EAC in several areas.

Competitive imports from the PRC through the port of Mombasa have resulted in a drastic decrease in Kenyan market share for footwear. In 2000, Kenya was responsible for 90% of the market for Ugandan footwear. By June of 2018, the Kenyan share had dropped to less than 13% (Adem, 2016, p. 81) (OEC, 2018). At the same time, the PRC exporters grew their market share by importing directly through Kenya and into Uganda with Chinese exporters currently capturing almost 82% of the Ugandan market (OEC, 2018). Overall Kenyan exports to Uganda fell from 15% of all Ugandan imports in 2000, to less than 10% today (OEC, 2019).

During this time, the PRC was also expanding market share in Tanzania. In 2000, the PRC was responsible for just over 5% of all imports into Tanzania, and Kenya had over 6%. In 2018, the PRC had a commanding 27% of the market share for all imports, and Kenya had dropped below 3%.

In Rwanda, the picture is very similar. In 2000, the PRC was providing 2.4% of all goods into Rwanda. In 2018, the PRC had a market share of over 8% . Meanwhile, Kenya had over 16% in 2000, but Kenya lost market share down to 8.8% in 2018.

How does Kenya maintain a positive relationship with the PRC and Chinese businesses when they have large amounts of debt, and the Chinese businesses are taking market share, jobs, and income from private Kenyan business? Albert Hirschman and Michael Rothschild in their work *The Changing Tolerance for Income Inequality in the Course of Economic Development* stated, “An individual's welfare depends on his present state of contentment (or, as a proxy, income), as well as on his expected future
contentment (or income). Suppose that the individual has very little information about his future income, but at some point, a few of his relatives, neighbors, or acquaintances improve their economic or social position. Now he has something to go on” (1973, p. 545). This “something to go on” is what makes the arrangement with the PRC and Chinese-owned businesses possible. Each of the people I talked to in Kenya, regardless of their economic or intellectual status, talked about the negative impact from the Chinese investment as well as the positive. Interview subject #7 who was more educated and affluent also had negative perceptions of Chinese “Last year the Chinese tried to fire all the Kenyans on the train. They will not even let us drive the trains... Those of us who are more wealthy understand that the Chinese just do not want the materials that we are selling” (#7, 2021). The biggest difference is that the poorest were also able to see the direct benefits of cheaper goods and the potential for employment. “The Chinese in marketplaces hire young people to work in their shops” (#5, 2021). “I like my job driving for the Chinese” (#6, 2021). They were also able to purchase things that they would not otherwise be able to purchase. “Now people can buy solar panels very cheaply in the market” (#5, 2021). The Chinese government and businesses are able to continue to expand their markets at the expense of Kenyan manufactures and businesses because they are able to present another option that provides people with the patience that they may be able to rise above their current situation.

The poorest people have also been able to ensure that the Chinese traders are not able to enter into protected sectors of the Kenyan economy, such as daily foodstuffs and consumables in the markets. “Not long ago the Chinese attempted to set up open air stalls in the marketplace like normal Kenyans had been doing. They had to get licenses
to do this from the government. The government officials gave them that license. Then they started to put people out of business. The people all protested saying we can no longer support our families and feed them. In the end after large protests, the licenses to sell in the market like we have been selling for years was revoked. Now they sell cheap imported solar panels that break and cheap electronics that break soon too. But they are cheap so we can buy them again and again. They also hired some young people to work in their shops” (#4, 2021). Even if they dislike the Chinese presence, they are happy with the economic changes that are coming to pass (#3, 2021). The Kenyan people are able to determine whom they would like to purchase from but only in areas that are not already dominated by the Chinese. There are no Kenyan sellers of solar panels in the markets in Nairobi, just the same as there are no Chinese people selling fruits or gum on the street. It is a shift that the average person is hoping will bring about a change in their lives. Those that are not finding direct employment in the market or with PRC sponsored businesses are hopeful that they will soon be able to benefit from the Chinese investment.

Kenyan support for PRC political objectives has been indisputable. Kenya has come out in open support for PRC on high-level disputes, such as the South China Sea, and they have also supported Huawei in spite of US criticism and international efforts (Wen & Xiaochen, 2016) (Nyabiage, 2019). In return, the PRC has supported Kenya for prestigious posts in the UN, such as the African post on the rotating UN Security Council (Yong, 2019). The PRC and Kenya have continued to vote together on matters of international import, such as the Israeli-Palestinian issue where Kenya voted with China in seven out of the eight cases in 2020, and the US voted against those same resolutions. Another example is when Kenya voted with China in a resolution banning
first placement of weapons in outer space (UN, 2020). Additionally, China opposed a resolution reaffirming the commitment to ban all chemical weapons, disarm and destroy all current stocks, and prevent the spread of those weapons. In contrast, the United States voted Yes, and Kenya was one of the ten countries that chose not to vote along with the DPRK and Serbia (UN, 2020). Finally, in a seemingly simple resolution that condemned chemical weapons in Syria, China opposed the proposal, the United States was for, and Kenya was notable in abstaining from the vote the same as North Korea, Somalia and Serbia. In fact, the only issue of substance that I was able to find a direct opposition to the PRC by Kenya’s UN delegation was resolution A/RES/75/238, which called for a peaceful resolution for the situation involving the Rohingya in Myanmar. In every other case, Kenya voted in line with the PRC’s vote or did not vote (UN, 2020). While these votes may be indicative of the preferences of Kenyan national politics, the support the PRC receives from Kenya in the international scene is significant.

Clearly while the exports from Kenya to the PRC are a part of the diversification process for Chinese businesses, the most important benefits China receives from its partnership with Kenya are export markets for PRC goods and political good will and influence in East Africa.

Projects
Infrastructure

The PRC has invested in a few very high visibility projects in Kenya as part of the Belt and Road Initiative (BRI). These infrastructure developments are critical, not only for Kenya, but for the whole region. Kenya is the gateway in infrastructure and trade for the landlocked neighbors to the west: Uganda, South Sudan and the north eastern part of the Democratic Republic of the Congo. The roadways and international ports for each
of these countries restrict the movement of international cargo, and the additional difficulty of moving goods and services require that the countries export and import through Kenya.

In addition to the road projects, the PRC has been directly funding large port projects in Lamu County in northern Nigeria and an oil terminal at the Mombasa port. Originally there was supposed to be a huge coal-fired power plant near the new port in Lamu County, but that has been put on hold due to environmental concerns (BRI News, 2019).

**Kenyan Standard Gauge Railway**

One of the biggest Belt and Road Initiative (BRI) projects in East Africa is the Kenyan Standard Gauge Railway (SGR) it runs from the port town of Mombasa to the Capital of Nairobi almost 580 km. This railroad cost about $3.8 billion dollars, and 90% was funded by loans from the Chinese Exim bank (Kimuyu, 2017). The completion of this rail line facilitated large shipments from the coastal port of Mombasa to the distribution hub just outside of the capital city of Nairobi. Additionally, the total transit time from Mombasa to Nairobi dropped from ten hours to four hours for passengers and eight hours for cargo (Railway Tech, 2017).

Uganda has almost 32% of the volume of trade flowing through the port of Mombasa, with South Sudan taking about 2% of the total volume, and just behind them, DRC third with about 1% (Atieno, 2019) (Manduku, 2019). Altogether, over one-third of the volume of trade that flows through the port of Mombasa does not stay in Kenya.

Currently the biggest issue on the minds of every Kenyan I talked to, and the one that has the greatest potential to influence the minds of Kenyans about Chinese influence in their country, is the SGR. The main contractor for the Kenyan SGR is
African Star Railway Operation Company Limited, which is a wholly owned subsidiary of China Road and Bridge Company (CRBC) (AFRISTAR, 2020), which is in turn, a subsidiary of China Communications Construction Company Limited (CCCC), which is publicly traded and has 64% of the stock owned by the government of the PRC (CCCC, 2016). Juma, a driver for a tourism company that works with both western and Chinese companies stated, “Everyone has heard of the SGR; it is all over the news. If we do not pay then the Chinese will take over the port at Mombasa” (#6, 2021). The SGR owes about 38 billion shillings (approx. 343 million USD) to Africa Star Limited, the Chinese State-owned enterprise that is contracted to operate the SGR (Mainga, 2020). In response to this, it has been floated that the Kenyans will be forced to increase ticket prices to compensate the Chinese operators of the rail line (Mutua & Otieno, 2020). Juma himself had never ridden on the SGR. His supervisor said, “The rail line is great. We use it when we can, but I do not like that the country owes so much in debt” (#7, 2021). Additionally it sounds like their impressions of the debt are influencing their impressions of the Chinese, “It is just like the Chinese to try and take something from us. They have more money than we ever will have. When the people come, they do not tip. They are not like the Americans that way. It is just like them to refuse to give a little extra to us” (#6, 2021).

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9 Not his real name as the owner of the company did not want real names to be used due to their ties with Chinese tourism companies.
The Kenyans that I talked to liked that the railway was new and fast and would enable goods to move from the center of the country to the coast faster. They were originally very happy with the entire project. Interview subject #5, a shopkeeper in Nairobi said, “We were hopeful that it would enable our businesses to grow quickly and we could get products out and in cheap” (#5, 2021). This has not happened so far. Additionally, everyone has expressed reservations about the amount of debt that the project is causing (#1, 2021). However, they also state that, “these transactions are pragmatic we need to develop so even though it is expensive, China is willing to help” (#2, 2021). The debt has indeed become too much, and the PRC has agreed to a repayment holiday for six months for $245 million in debt that Kenya could not pay back (Nyabiage, 2021).

There is no doubt that the impact of the rail line has been positive for the economy of Kenya. The rail line has transported over 2 million passengers and hauled 112,000 twenty-foot containers and lowered the cost of transport by 40% (Ndegwa,
2019). However, some have disputed the amount of cost savings, like subject #5. No one I have talked to disputes that it has saved them money and time. What will remain open is the impact on the perceptions of the local people.

**Thika Road**
Another project that has garnered a lot of respect for Chinese builders is the Thika Road superhighway. This project created an 8-lane modern express highway where there had been dirt and two lanes before. It was funded by the African Development Bank for $180 Million, China’s Exim bank with $100 million, and the Government of Kenya providing $80 million (AFDB, 2012). It cut the transit time from Nairobi to Thika, a critical economic and industrial center, from two or more hours to about 45 min. “I am really happy with the Chinese-built road. What I do not like is the other drivers. I remember when it was being built. It was built fast and well” (#8, 2021).

The government of China is interested in projects big and small. Not only do they make huge infrastructure investments in roads and ports, the PRC has invested in projects small in cost but significant in impact. The solar power plant in Garissa, Kenya is a 50MW structure contributes that contributes a little less than 2% of the power to the national grid. The primary source of funding was provided by the China Jiangxi Corporation for International Economic and Technical Cooperation (CJIC). With a project cost of 13.5 billion shillings or about $124 million, this project comes in on the smaller side. The financing was loaned to the Kenyan government by the PRC’s Exim bank (Nduire, 2018) (Xinhua, 2020). This project, though modest in price, is large in impact with an increase in power supply and increase in business activities for about 625,000 homes (Igadwah, 2018).
**Other Projects**

Another project with an intermediate price tag is the Thwake multipurpose dam being built by the China Gezhou Group Company (CGGC) (Nkirote, 2021). The total cost of the project is about $750 million dollars and is funded by the African Development Bank and the Government of Kenya, but not through a grant or loan from the PRC (ADF, 2013). This will allow the irrigation of 40,000 hectares of land and provide 23MW of power. It will also provide water to Nairobi (Opali, 2021). This shows that even when the project is not directly funded by the PRC government, the Chinese contractors are able to utilize their existing contacts to understand the lay of the land and make competitive bids to be awarded the project.

One project that was brought up during the interview process, was the negotiations by Huawei to upgrade the entire internet and fiber backbone service for Kenya’s 47 county seats and local governments (Xinhua, 2021). “Huawei is really helping us out. We are really looking forward to the 4G and eventually 5G services in Nairobi.” When I asked about the possibility of Chinese spying, he said “I have heard of the AU spying, but what do they want from us? The average person has no need to care about that. I am much more concerned about being able to do work and business online” (#1, 2021).

Each of these projects is a touch point that allows the public to gain a positive or negative impression of the Chinese interactions in their country. Without fail, every Kenyan I have talked to expressed support for the actual project; the physical project was conducted well, and they are happy with the Chinese contractors and the physical creation of the item. Also without fail, each one of them expressed reservations about the procuring and the intangible aspects of the project. Each one of them suggested that
there was corruption involved and that the Chinese were complicit in that corruption. While this did not diminish their respect of the project, it did diminish their respect for the contractors. They are also almost universally afraid of what will happen if the government cannot pay back the debt. “We will lose the port of Mombasa. The government denies that it is collateral but I know that it is. Why else won’t they reveal the contract?” (#5, 2021).

**Soft power projects**

**Confucius Institutes**

One interesting part of the soft power drive in Kenya is the diversity of efforts. One of the most widely recognized soft power institution for China is a Confucius Institute (CI). There are 516 Confucius institutes with over 1,000 separate classrooms in the world. Of that number, 135 have been established in BRI countries (Xinhua, 2017). Confucius Institutes are “committed to providing quality services for people from all over the world to learn Chinese and understand China. It also intends to build a platform for friendly collaboration on language education and cross-cultural learning” (CLEC, 2021). In addition to helping people learn about Chinese culture and language, they are as described by Li Changchun, “an important part of China’s overseas propaganda set-up” (The Economist, 2009). There is no surprise that Kenya should have one. In fact, Kenya hosted the first Confucius Institute in Africa which was set up at the University of Nairobi and thus able to interact with younger college students. It was inaugurated in December of 2005 in Nairobi. (Xinhua, 2005). Three years later, Kenyatta University, also in Nairobi, set up the second Confucius Institute in Kenya (Kenyatta University, 2021). While most CIs in the USA are on contract for 5 years, with the option to renew for another five (GAO, 2019, p. 6), the CI in Nairobi appears to be
on track to expire in 2050 (Confucius Institute University of Nairobi, 2019). The Institute in Nairobi is affiliated with the college of Humanities at the University of Nairobi and holds many events throughout the year to promote cultural exchange and understanding. Additionally, they have sponsored over 200 students since 2006 to attend a university in the PRC (2019).

News Sources
Nairobi is home to one of the first offices for China Daily in Africa. It is also one of four bureau offices with the others being in New York, London and Hong Kong (China Daily, 2021). China Daily in Kenya is a daily Monday to Friday paper that focuses on disseminating news and information in English for Kenyans. The digital news service has proven effective in developing opinions across Kenya. With PRC subsidized access to digital TV at only 4 dollars a month for a mix of Kenyan and Chinese programming, adding in other international channels or news sources is beyond the financial capabilities of most Africans (Muasya, 2017). After agreeing to a cultural exchange program in 1980, the Nairobi office of China Daily was established in 1985 (Chinese Foreign Ministry, 2006). Currently, China Daily publishes a print newspaper on a weekly basis. In 2006, Xinhua news relocated its regional branch from Paris to Nairobi, Kenya where it can be used as a stepping off point for further interaction on the continent (Odindo, 2021). Additionally, the African bureau of China Global Television Network (CGTN) is based in Nairobi. With over 300 journalists, the Chinese news media is the one of the largest foreign news organizations in Nairobi (Deutche Welle, 2021). Adding news is a good thing, but being able to censor the news is also important for Chinese benefactors. When the Standard Group news organization published a piece critical of the SGR in Kenya, the Chinese embassy in Nairobi “demanded that [they] stop
all negative coverage” (Odindo, 2021). When they did not stop, the PRC pulled all advertising and funding to this independent newspaper.

**Radio Stations.**

Much like in Senegal, China is also running FM radio stations in Kenya. The very first radio station operated in Kenya by the government of the Peoples Republic of China opened in Kenya in March, 2006 (Xinhua, 2006). The launch of this radio station was initially hailed as a watershed moment in PRC/Kenya relations. Kenyan Minister for Information and Communications Mutahi Kagwe said, "CRI will indeed open a window through which Kenyans can listen to China’s rich cultural heritage. I appreciate the vital role that China has played and continues to play in the economic development of Kenya. I am convinced that the launch of CRI in Nairobi will open up new possibilities of exchanges as well as create synergy in our different fields of social endeavor like culture, tourism and the media” (Kagwe, 2006).

Reportedly CRI 91.9 Kenya would provide access to the four million people in Nairobi. However, I was unable to ascertain if the radio station is currently active. When asked during interviews if anyone had heard the radio station, the most common response was, “I have never heard that” (#3, 2021). When asked to check, a respondent said, “No I cannot tune it in. Either my radio does not pick it up or it does not work.”

American culture and language is present all over the world as Dr. Joseph Nye stated “power comes from attraction” (Nye, 2004). I have been to at least 50 countries, and one of my friends at work has been to every country in the world but 3. She and I have both seen American culture, American movies, music, TV, and sports everywhere. There is no place except the DPRK and maybe Iran where American cultural items are not everywhere. The world is attracted to American culture. They may not like
American politics, but American culture is attractive everywhere. This type of attraction gives the United States a significant amount of soft power. The PRC cannot compete with this overnight. However, the constant influence of these softer power projects like the news media, radio, and the Confucius Institutes provide the PRC with an opportunity to show another side of their ubiquitous presence, instead of only the construction of roads, railroads and shoe production. The average person can now hear of Chinese opera, hear about the amazingly fast railroads that crisscross China, they can hear about the structure and order of Chinese society, and these are contrasted always with western society. Like Dr. Nye said, this softer power and constant influence of Chinese news and media allows the PRC to begin to “shape the preferences of others” (Nye, 2004). This time the others is Kenya.

Analysis

I was able to utilize the Afrobarometer reports from round 6 of their surveys for my research. This data was gathered during 2014 and 2015. For Kenya, the sample size was 2195 personnel\(^{10}\). In order to make the data easier to replicate and facilitate an understanding of the data, I simplified the occupational levels into three basic subgroups of low, medium, and high income potential\(^{11}\). The results are summarized below. For the Kruskal-Wallis test, a lower P value shows that there is more correlation between the data. In order for the data to be statistically significant, the P value has to be below .05. Additionally, a larger chi-squared value indicates that there is a smaller possibility that the correlation could have arisen by chance. For Kenya, both the P value

\(^{10}\) For Kenya N=2195

\(^{11}\) See appendix 1 Data Analysis for the complete formulas and the complete breakdown of the original data and the sections that I have moved it to.
and the chi-squared indicate that there is a large amount of correlation and with a Chi-Squared of over 32 and 39 there is very little chance the correlation is random. The P-value was almost the smallest of the three countries surveyed. Indicating that there is a very strong correlation in the data. The richer a Kenyan is the more chance that they will have a negative impression of China.

Data: Opinion and Occupation
Kruskal-Wallis chi-squared = 32.548, p-value = 8.558e-08

Figure 3.4 Scatterplot Kenya Opinion and Occupation

(Afrobarometer, 2017)

Kenya: Opinion ~ Occupation Levels  ---> P value: .00000008558 = 8.558 · 10⁻⁸
Data: Opinion and Education
Kruskal-Wallis chi-squared = 39.016, p-value = 3.37e-09

Figure 3.5 Scatterplot Opinion and Education Kenya

(Afrobarometer, 2017)

Kenya: Opinion ~ Education Levels ---> P value: .00000003371 = 3.371 \cdot 10^{-9}

Statistical tests show a positive relationship between occupation level and opinion of China’s influence with a p-value of 8.558\cdot10^{-8}. Education has also shown a
positive relationship, with a p-value of $3.371 \times 10^{-9}$. The scatter plots above used this date to show the correlation between increased wealth and increased potential for negative impressions of China. While the overall sentiment is very positive the more wealthy a person is the more likely they are to have a less positive impression of Chinese involvement in their country. The wealthiest segment of society had 13.13% of the population with a very negative or somewhat negative perception of China vs 8.77% for the poorest segment of society. Kenya was also the only country where education and opinion also had correlation with negative impression of China, the more educated a Kenyan is the more likely that they might harbor negative sentiments about China. 10.51% of the most educated Kenyans had negative impressions of China versus 7.70% of the poorest educated.

In my conversations with Kenyans, every one of them has expressed approval for the physical manifestation of the work of Chinese contractors. From the data and my interviews, a portion people at the upper echelons of Kenyan society hold an apprehensive view of Chinese involvement in their society. Without a doubt, each person interviewed has expressed support for Chinese investment; however, they also view that investment with caution. At the same time, they also see no other country is lining up to provide them the investments they need. The United States is not positioned to provide the direct government to government subsidies or provide the same level of financing to companies that are able to make these investments.

The people that felt the most willing to come forth and express outrage or displeasure at the influence of China and the negative effects were those who were

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12 For the Kruskal Wallis test, a result better than 0.05 is statistically significant. For a complete explanation as to the reasons why and the discussion on the Methodologies, see Appendices 1 and 2.
independently wealthy, such as persons #9, #7, and the government official. Both #7 and the government official requested that their names not be used. This indicates to me that even among the wealthy and independent, there is a fear of reprisals. #7 directly told me that if word got out that he or his drivers had talked to me and said anything about the Chinese, it would “hurt my business prospects”. Subject #9 said, “I do not compete against the Chinese in my sector, but I do not want to have trouble.” The government official directly said, “I cannot have my name attached to this. I am answering your questions as a favor of a friend.” Each one of these more affluent people knew that the dealings with the Chinese were bringing both good and bad consequences for them and for Kenya.

Subject #9 also stated, “I have seen in Cameroon and Senegal and to a lesser extent here [Kenya] when the Chinese show up, they destroy the local economy. It is only starting here in Kenya. Right now, the Chinese cannot set up and own stores in the markets. The government will not let them, but they will soon” (#9, 2021). I asked subject #5 if he had seen Chinese people selling products in the market places. He said, “They sell cheap electronics and solar panels, stuff we Kenyans cannot get. When the Chinese tried to start selling food and fruit and fresh fish in the marketplace, there was a lot of protests; some of the Chinese stands were torn down. The people rose up and had protests. Then the government took back their permits to sell these things. Now if we see them selling those things, we know that they are breaking the law” (#5, 2021). The poorest of the poor see this as well, but they cannot afford to care too much about their neighbors to worry about that. Interviewee #8 said, “Yes, it is bad that they put Kenyans out of business, but I do not see why Kenyans can’t sell that stuff just as cheap” (#8, 2021). We can see that the wealthier people see Chinese impacts as beneficial but risky,
and the poorest see them for their benefits more than the risk that they bring. In both of these comments we see the risk that was underlined by Mutuk in his paper for the University of Nairobi, “the main issue in respect to China’s aid is the move to access raw materials and markets in Kenya, then this will hurt Kenya’s economy in the long run by undermining the ability of the local firms to exploit the same markets and resources” (Mutuku, 2014, p. 75). While the people I talked to did not say much about the raw materials, they were aware of the Chinese impact on the markets, both for travel and for shopping. The market for travel is getting more diversified largely because of the Chinese-funded SGR. The markets for food are shut off to the Chinese at this time, and the Kenyans like that. The market for solar panels is solely in the hands of the Chinese. Kenyans like the rest of the world will use solar panels, but they do not like that they are poor quality. “I have heard that the Chinese sell solar panels in the USA. I bet they are better quality.” When I agreed with him that they do not break after a few months or a year like the ones he has bought he said, “it is because your government does not let that stuff come in” (#9, 2021). So we see from the data and the interviews that support the data the majority of Kenyans approve of Chinese investment at the same time there is a significant undercurrent of hesitation among the most educated and the wealthiest as to the future of this relationship.

**Kenya Unique Data Results**

The results from my study of Kenya were unique in that there was a positive correlation between Opinion and Occupation and Opinion and Education. Neither Senegal nor Nigeria had correlation between Education and Opinion.
Table 3.1 Kenya Opinion and Occupation

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>33</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>74</td>
<td>42</td>
<td>19</td>
</tr>
<tr>
<td>Neither positive</td>
<td>260</td>
<td>92</td>
<td>15</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>534</td>
<td>352</td>
<td>90</td>
</tr>
<tr>
<td>Very positive</td>
<td>319</td>
<td>275</td>
<td>67</td>
</tr>
<tr>
<td>% Positive</td>
<td>69.92</td>
<td>80.69</td>
<td>79.29</td>
</tr>
<tr>
<td>% Negative</td>
<td>8.77</td>
<td>7.46</td>
<td>13.13</td>
</tr>
</tbody>
</table>

Table 3.2 Kenya Opinion and Education

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>24</td>
<td>24</td>
<td>8</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>56</td>
<td>46</td>
<td>33</td>
</tr>
<tr>
<td>Neither positive</td>
<td>266</td>
<td>71</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>421</td>
<td>360</td>
<td>195</td>
</tr>
<tr>
<td>Very positive</td>
<td>271</td>
<td>266</td>
<td>124</td>
</tr>
<tr>
<td>% Positive</td>
<td>66.67</td>
<td>81.62</td>
<td>81.79</td>
</tr>
<tr>
<td>% Negative</td>
<td>7.70</td>
<td>9.12</td>
<td>10.51</td>
</tr>
</tbody>
</table>

For the Opinion and Education sample, there were 10.51% of the high income respondents who indicated a negative or somewhat negative response, versus 7.7% for the lower educated and 9.12% of the medium educated group. At the same time, 13.13% of the higher earning respondents in the opinion and occupation sample indicated a negative or somewhat negative response, versus 8.77% for low and 7.46% for middle earning group.

The data overwhelmingly supported the positive impression that most people have of Chinese investment in their country. At the same time is shows a definite uptick in the people who have the negative sentiments the more wealthy or more educated a person is. One of the reasons this might be is that the Kenyan news media is prolific in
their publishing of negative stories of China and Chinese investment. They also publish positive ones, but the abundance of the negative stories allows everyone the opportunity to see those impacts. This shows the importance of an open, free, and very public news media, which Kenya has in abundance. Additionally, Kenya’s case also shows that society can be influenced and have a negative perception of China, while still accepting massive amounts of investment and interactions. In fact, the positive or negative perception of China often appears to play no part in the calculus of accepting Chinese money and offers. There are no other options available. Kenya clearly shows that regardless of the perception, if someone has what you need, you often have to go shopping at that store if it is the only one you can afford.

**Kenya Conclusion**

The interactions between Kenya and the PRC have always had a political undertone; from the backing of the Mau Mau militias to the present-day interactions, politics have always played a part in the relationship. As we were able to show, Kenya has been a supporter of the PRC government’s activities in the UN. This support has continued despite the opposition to Chinese debt in the Kenyan news media and reluctance on the part of some segments of Kenyan society.

China is taking over portions of the manufacturing and export markets that were previously profitable for Kenyan businesses. In spite of this, the average Kenyan supports continued Chinese investment in Kenyan society. “In the early stages of rapid economic development, when inequalities in the distribution of income among different classes, sectors, and regions are apt to increase sharply, it can happen that society’s tolerance for such disparities will be substantial. To the extent that such tolerance comes into being, it accommodates, as it were, the increasing inequalities in an almost
providential fashion” (Hirschman & Rothschild, 1973). In every interview I had with a Kenyan, they expressed this hope. However, they also acknowledged that the poorest were receiving less from the Chinese than the richest. “The quality of the roads and infrastructure is good but the way that the Chinese supervisors treat employees and the villages that they pass through makes us feel as though we are second class in our own country. The speed and quality of the construction is better than what Kenyan companies can do, so that is good... Generally, we hate the Chinese even though they provide good things for us” (#3, 2021). The richest are able to effectively use the roads, the telecom industry and the electrical power production to increase their own personal wealth than the poorest segments of Kenya. This results in an increase in income inequality as those with means are offered new opportunities through these services and the poorest are not able to utilize the full capacity of the changes. All the people I interviewed had something negative to say about the Chinese. While they shared these negative feelings, they were also able to share positive experiences with the infrastructure built by Chinese contractors. Underlying all these negative and positive experiences is the hope that these infrastructure projects will lessen inequality and enable the poorest to increase their standard of living in the future and the wealthy to achieve more stability.

This hope is what enables the average Kenyan to deal with the setback associated with the influx of Chinese goods and development, even if it costs them temporary problems, such as the loss of manufacturing jobs due to the influx of less expensive Chinese shoes or forced replacement due to PRC funded infrastructure development projects. The average Kenyan could be very upset at the loss of manufacturing capability in shoes and other materials that used to be exported to Uganda or Rwanda and are now
being exported from mainland China, and they could also be incredibly upset at the environmental impact of the roads and solar plants. However, generally speaking, they are not violently angry or upset with the Chinese. Even if a segment of society harbors resentment and anger at Chinese investment, and there is a portion of society that does, they are also very tolerant of that same investment and the negative impacts that come with it. They all seem to understand that outside assistance is needed.

The PRC investment in the perceptions of the Kenyan people will reap benefits for decades to come as the economies of east Africa grow more intertwined. It will be increasingly easy to supply exports to Kenya, Uganda, Rwanda, and other nations in the great lakes region of Africa. That trade will come through the ports and over the rails all financed and assisted by the PRC construction loans. This will continue to improve not only the profit of Chinese firms but also the ability of the PRC government to leverage political gains in Africa on international issues.

The investment is viewed positively by the average Kenyan. Like the other countries I studied, some people on the lower end of income and education have negative perceptions of China, but it is easier to find those negative voices on the richer and more educated ends of the spectrum in Kenya. Much like other nations I have visited and nations I have studied for this work, I was not able to find a single person that did not have at least something positive to say about China and their investments. Even if they were apprehensive or reluctant to support the China-backed projects, they knew that those projects will benefit their country. They also knew that other countries are not providing the same level of engagement and investment that is coming from the PRC.
The stability and openness of Kenya encourages economic growth which might inspire neighboring nations such as Somalia, Tanzania, and Ethiopia to follow in the path of Kenya to progress on the democratic and economic fronts. The PRC will continue to provide grants and loans to nations that need the infrastructure to develop. Chinese business will continue to import inexpensive consumer goods that drive down prices and put local business out of work. These are market forces that cannot be stopped. The PRC will continue to gain influence in Kenyan society and Kenyan government.
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Chapter 4 Nigeria

A Brief Discussion

Nigeria is home to over 200 million people, which in comparison is about 60% of the population of the United States (UN Data, 2019). By 2040, Nigeria is expected to have the same number of people as the population of the entire United States of America. This population will be crammed into an area roughly double the size of California, or \( \frac{3}{4} \) the size of Alaska\(^{13}\).

Figure 4.1 Map of Nigeria overlaid with Eastern USA

(CIA World fact book, n.d.)

\(^{13}\) California is approximately 404,000 km\(^2\), Ohio is approximately 100,000 km\(^2\), and Nigeria is approximately 923,000 km\(^2\). Alaska is approximately 1,475,000 km\(^2\).
Nigeria has not had a long history of interaction with the People’s Republic of China. In the early 1960’s, China attempted to move Nigeria away from recognizing the Republic of China as the legitimate leaders of China and instead toward the People’s Republic of China. These efforts were initially rebuffed, leading Zhou En-Lai to ignore Nigeria in his first official visit to the continent in late 1963 and early 1964 (Mthembu-Salter, 2009, p. 5). In 1971, Nigeria officially recognized the PRC as the only government of the Chinese people, accepting the One China policy. It was only after this that China began to consider deepening their relationship with Nigeria (Olasupo, 2015, p. 3).

The actions of the dictatorship of Sani Abacha after 1993 ensured their unpopularity with the western world, causing the country to be cut off from western aid from 1993-1998 (BBC, 1998). At the start of this swing in Nigerian politics, China became a net oil importer (Clemente, 2019). This desire to find oil resources was the opportunistic chance that began the shift in the Nigerian and Chinese relationship and allowed the Chinese to take advantage of the deteriorating Nigerian relationship with the Western economic powers.

In 2006, President Hu Jin-Tao’s visit to Nigeria led to an immediate increase in bilateral trade and a warming of the bilateral relationship. During this visit, President Hu was awarded the seldom granted privilege of addressing a joint session of the Nigerian National Assembly. This visit by President Hu and the address to the joint body shows the growing impact and influence of Chinese diplomatic power in Nigerian politics.

These visits allow elites to make deals and establish relationships out of sight of national-level political squabbles, which allows the deal makers to make agreements that would not normally be permitted. For example, in April of 2006, after closed-door
negotiations, Nigeria agreed to give first right of refusal to CNOOC for four oil drilling licenses: two in the Niger River and two in the Chad Basin area. In exchange for the opportunity for CNOOC to purchase the blocks, the PRC agreed to provide 4 billion dollars in funding for infrastructure and oil investment. At the same time the investment was announced, CNOOC stated that they had completed a deal to purchase a 4-billion-dollar stake in a Nigerian oil field (BBC News, 2006). This is a prime example of a back-door deal where China did not release the first tranche of loans until after the Chinese companies were able to secure the oil field. Shortly after this exchange in May of 2006, China also issued Nigeria a 1-billion-dollar loan to fund their nascent railway modernization program (BBC, 2006). In 2013, China continued to expand their engagement and handed over a medium-sized, 150 bed hospital to the Nigerian government. Each of these investments has positively influenced the lives of many Nigerians. “I like China, I like the jobs what they do helps out our country” (#1, 2021). In 2014, the BBC reported that 85% of Nigerians viewed China in a positive light (Ramani, 2016).

Afrobarometer reported that in 2019, 62% of Nigerians viewed China positively (Sanny & Selormey, 2020). The declining number of people who view the PRC and Chinese investments positively will allow greater interaction in the future with Nigeria if and only if that declining influence is met with greater interaction on the part of Western governments. The largest problem that I was able to discover that could contribute to a decline in the opinion of Chinese investment was the quality of goods provided to normal people. “The shoes that the Chinese sell are not good quality but if they break quickly it is ok, I can buy them again” (#7, 2021). The second problem was the debt issue. While most people have no problems with the debt, “We have oil so it
does not matter” (#4, 2021). Others were reluctant to get into that much debt (#6, 2021). Without concrete action by Western actors and governments, any decline in influence by the PRC will provide no ability for greater influence on human rights and protections for the oppressed in Nigerian society.

**What does Nigeria Want from China?**

Nigeria’s needs from China are simple and easy to understand. Nigeria wants investment, trade, and security assistance. China is offering assistance in all these areas without overt political pressure, that is obvious to the more elite population of Nigeria. In order to alleviate the massive amount of poverty, overcrowding, pollution and other issues that come with massive urbanization in a short time, Nigeria like most of Africa is going to need massive investment in education, infrastructure and security sectors now and for the foreseeable future. Without adequate foreign investment, the people and the government of Nigeria cannot hope to bring their people out of poverty.
The diagram above shows a pyramid shape that is indicative of a rapidly growing population. The UN estimates that by 2050, Nigeria will have about 400 million people, and the United States will have about 375 Million people. Around the year 2060, Nigeria
will have just short of 500 million people, and the EU will have about 432 million people. If the population does not stop growing, there is the possibility that by the end of the century, Nigeria will have as many people as the EU and the USA combined, and it will be catching up with the total number of people on the aging Chinese mainland (UN, 2019) (Eurostat, 2018). Without massive investment in infrastructure and jobs, the country of Nigeria and the people cannot hope to peacefully realize this large demographic change.

The new Silk Road and Chinese investment have benefited many people. This growth has created some positive change, including opportunities in technology related fields, and it has created possibilities for the future, allowing for larger cities and denser populations. It has also spawned a lot of social upheaval and change. This economic growth has changed the lives of millions of people in Nigeria and has uprooted many of the people from their historical livelihoods. Kent Calder in his book The New Continentalism states “Economic growth, in short, has counterintuitively spawned violence, instability, and turmoil across Eurasia, rather than fostering the democracy and stability that have so often felicitously followed in its wake elsewhere” (Calder, 2012, p. 13).

P. Collier described it accurately in his paper “Doing Well Out of War.” He stated that the largest reason for conflict was greed, and that the largest indicator for this greed was primary commodity exports (Collier, 1999, p. 2). He goes on to state that, having a significant percentage of young men lacking income earning opportunities, with lower total years of education, increases the risk of a civil war (3). Nigeria has a large number of young underemployed, lower educated men with the entire country having a high amount of dependency on a primary commodity export. In some respects, it is a miracle the last civil war did not devolve into a more general conflict.
The Nigerian government recognizes this risk and knows that in order to ensure a peaceful rise and ensure stability for the future, they need investment to improve the lives of the people by increasing economic opportunities. The leaders of Nigeria are seeking any way possible to ensure that the country does not fall into a national level civil war which would destabilize the entire region. Since at least 2014, Nigeria has been one of the top five countries of origin for asylum seekers to the EU (BBC, 2018). Additionally, the UN estimates that Nigeria is the source of 3.5% of all the migrants in the world (UN, 2019). Political destabilization and conflict will increase these numbers.

There is no feasible way that Nigeria can reduce the number of young men who are not employed, nor can they reduce their reliance on a single commodity export, at this time. But they can affect the other two variables of low education and earning opportunities and thus reduce the likelihood of civil conflicts. To that end, the Nigerian government seeks substantial of Foreign Direct Investment (FDI). The average Nigerian person does not have the capital required to facilitate the investment needed to encourage job growth and trade. Subject number 3 had to ask for assistance from a Chinese lender in order to get her small business going. She did not have anywhere else to turn. Once she was up and running, she was able to provide employment for one person in the shop, one person for deliveries, and one person to help her pick up the goods and take them to the shop. Four jobs were created, and her family was able to be provided a decent living (#3, 2021). This small investment and trade created jobs. These jobs and this livelihood could not have happened without the informal Chinese lender.

Mthembu-Salter, in an interview with a Lekki Free Trade Zone official for the South African Institute of International Affairs (SAIIA), quoted an official as stating, “I
have learned that there is no rocket science in this; now we have seen how it all works. We know now how to run a free trade zone, and we could do it on our own without the Chinese. But even now, the funding aspect is critical. Where are we to find $1 billion? Perhaps Nigerian banks could have financed it, though it would have been hard in the recession. So, overall, China is still a blessing” (Mthembu-Salter, 2009, p. 23). The Nigerians know that they need external financing to accomplish the growth goals they require, or else their country will endure further hardship. They also know that the Chinese are responsive and act quickly to move money and support their financing needs.

**What does China Want from Nigeria?**

In order for any relationship to continue to develop, both sides need some benefit. China needs export markets and international legitimacy and votes in the UN. These are both fostered by a positive perception of China by the average Nigerian.

China has been willing and able to step in where the western powers dare not tread. This has led to a generally positive image of China by Nigerians. In 2014 and 2015, 67% of the population had a positive or very positive perception of the PRC, with only 7% of the population having a negative view on the influence of the PRC in Nigeria.
This positive perception reflects the Chinese role in providing goods and services to Nigeria even if there are short-term consequences of eliminating jobs and sectors of Nigerian economy (we will discuss this more with the garment industry later in this chapter). In a way, this is a paradox of both positive and negative impacts that in turn equal acceptance because the public perceives the overall gain to be positive. It also
means that when the average Nigerian compares the impact of the United States or other large powers, they see a lack of concrete projects. It is difficult for them to visualize what other countries are doing for them. “What are you doing? Why are you even asking me these questions? Of course, we love China. Look at what they did!” when talking about a road project then showing me the project on WhatsApp. “What did your country do? They are rich, why don’t you help?” (#5, 2021). The infrastructure, financing and products that China exports to Nigeria stand in stark contrast to the academic and theoretical good governance, ethical leadership, and human rights projects that get the most attention from the United States and the European countries. The lack of a coherent message to the Nigerian people from Western policy makers negatively impacts the credibility of our messaging across human rights issues, governance issues, and health issues. If a nation or an international entity cannot help Nigerians provide for their day-to-day needs, then why do any of the other things matter?

**Chinese involvement in the Nigerian Economy**

**Chinese Involvement in the Oil Industry**

Nigeria accounts for about 20% of the total production of oil in Africa (Bala-Gbogbo, 2020). Nigeria is a Petro-State. Oil accounts for 75% of Nigeria’s exports, gas accounts for 14%, then refined petroleum rounding out 2% to account for 91% of all exports and foreign exchange for Nigeria (OEC, 2018).
While it appears that the most public part of Chinese investment has been the oil industry, this is mainly because of the outside role that oil plays in the Nigerian economy. While most of Nigeria loves Chinese investment in the oil industry, not everyone appreciates the increase of extraction. In 2006, when the Chinese made their first big move into Nigerian oil, one explosion and a threatening e-mail welcomed them onto the scene. The car bomb was parked next to an oil transit point in the town of Warri. It exploded, damaging the vehicles around it, but causing no casualties. Shortly before the explosion, the Movement for the Emancipation of the Niger Delta (MEND) sent an email announcing that the blast was “the last warning to oil industry workers”
and also stated “we wish to warn the Chinese government and its oil companies to steer well clear of the Niger Delta” (BBC News, 2006). The location of the blast was not a coincidence as China had just purchased exploration rights to Oil Block 163, which is located due west of Warri and funnels a large amount of oil through the facilities at Warri. This threat has not deterred Chinese involvement in the Nigerian oil sector. Their growing demand for this resource means that they need developmental control and direct influence. The world’s largest oil conglomerate SIINOPEC continues to invest large amounts in Africa. In order to facilitate that control and influence, Chinese National Oil Companies (NOCs) have invested more heavily in Africa than in other regions (Carpenter, 2020).

Figure 4.4 Chinese oil investments in Africa

Retrieved from (Offshore Technology, 2019)
The Japanese Institute of Developing economics part of the Japan External Trade Organization (IDE-JETRO) published a study which showed a stark increase in Chinese investment in Africa over the course of 10 years.

Figure 4.5 Chinese Energy Footprint 2000-2009

(IDE JETRO, 2009, p. 34)

In other countries with large natural resources such as the Democratic Republic of the Congo or Angola, the PRC has been very willing and able to do a resource for infrastructure swap. What is unique about the Nigerian situation is that the government does not permit the funding of oil extraction projects through infrastructure investment like they do in other African markets. In Nigeria, the Chinese must bid on those projects and pay cash for them (Mthembu-Salter, 2009).

In 2010, the Chinese agreed to spend 23 billion dollars to build four new oil refineries (BBC News, 2010). One of the biggest is the Dangote oil refinery which
received part of the billions of dollars in Chinese investment (Oduah, 2019). The refinery is expected to begin full production in 2022 (Larionova, 2021) (Olukoya, 2021).

In 2014, Abuja approved a 10-billion-dollar investment in the Bada Basin, which is located close to the center of Nigeria (Daly, 2014). This contract started to take fruit in June of 2020 when the Nigerian National Petroleum Corporation (NNPC) announced the commencement of exploration and stated that they expect to add 40 billion barrels of oil to the national reserves (Dennis, 2020). In 2018, China National Offshore Oil Corporation (CNOOC), a state-owned oil company, stated that they would be willing to invest a further 3 billion in existing oil and gas operations in Nigeria. This is after investing another 14 Billion in various other NPPC projects. The Chinese investment far outstrips the investment from Chevron and Shell, with a paltry 780 million dollars in the same time period (Carsten & Ohuocha, 2018).

What makes this situation unique is that even though Nigeria is a net exporter of oil and mineral fuels, it only exports 3% of the total product to China. Notwithstanding the fact that China has spent billions of dollars on the oil industry, a small fraction of that production goes to China. In fact, most of the exported oil products go to the PRC’s rival, India.
Figure 4.6 Nigeria Exports Percentage by sector

Figure 4.7 Nigerian Export Destination

(OEC, 2018) (Destination of Nigerian petroleum products)
This leads to the first surprising finding of this work. China appears to be more interested in securing export markets for manufactured products than using its investments in Nigerian oil to secure those same oil products solely for export to the Chinese mainland. To put it another way, China is more interested in the markets represented by the growing population of Nigeria than in controlling oil exports to fuel domestic growth. It is easier and more profitable for China to sell the oil on the spot market than it is to own and ship it back to the factories back in China. It is also better to have access to the future population of Nigeria than it is to maintain control of a market and risk alienating a large number of future consumers by controlling the export of Nigerian crude oil.

The PRC appear to be using the Nigerian markets as stepping off points for a much wider emphasis on exporting goods to Nigerian consumers and ensuring trade flows from China to Nigeria. By providing investment in the oil sector, the PRC is able to ensure the unfettered access to Nigerian domestic markets. The potential for middle class growth is unparalleled in Africa, and that is even more obvious in Nigeria. The graph below shows the estimated increase in Nigerian oil to the PRC domestic markets. It shows an increase through the end of the 2020s.
Figure 4.8 Estimated Increase in Nigerian Oil Exports

This graph shows the projected increase in Chinese exports to the Nigerian market. It shows a slightly higher increase and less fluctuation in the trend.

(OEC, 2021)
In both cases, the markets will increase. The market for Nigerian imports will increase at a faster rate than the market for Nigerian exports, allowing the PRC government and businesses to establish critical trading networks that will benefit their country for decades to come. All those new consumers are a large market for Chinese exports. China is currently the biggest importer into Nigeria. The more the population grows, the more Chinese-made products they can absorb.
The PRC recognizes that if they can get a foothold in Nigeria, they will have access to a ½ a billion consumers in a few decades. These new consumers will come at a critical juncture, as China’s population is expected to begin the long unstoppable decline in 2031 (UN, 2019). The ease of access and developed profitability of the Nigerian oil markets help to facilitate Chinese investment into the Nigerian economy.

**Chinese Involvement in Trade**

The Chinese involvement in trade is linked to the main goals of the Chinese government, which is to ensure the stability of the Chinese nation (全面建成小康社会).
(build a prosperous society)) and ensure the longevity of the Communist party (全面从严治党 (complete rule of the party)) (China Daily, 2015). Through the acquisition of key energy and commodity assets, China seeks to leverage its investments to extract itself from international commodity market pricing (Naidu & Davies, 2006, p. 79) To this end, the investment arms of the PRC invest for the express purpose of “strengthening the competitiveness and sustainability of domestic production... including securing commodity supply or facilitating exports” (Huang & Wang, 2011). Simply stated, China cannot export and continue to grow if there is no place to export to and no resources to fuel those exports. Their factories need access to resources, and China cannot get those resources out of Nigeria without infrastructure. At the same time, exports from China cannot get to the consumers without the infrastructure to move exports. Thus, the Chinese need to build the roads, rail, ports, and electricity to move the raw materials and the Chinese manufacturing goods to the Nigerians. This is not a colonial situation where Chinese investment creates direct monopolies. Rather, it facilitates Chinese investment, current and future trade, and current and future development projects. The policy makers in Beijing do not generally dictate specific projects or specific investment targets for private business. Those business are focused on profit seeking, but the investments by the PRC government open up trade routes and facilitate exchanges that allow profits to flow easier. Following on and working in conjunction with public projects facilitates the Chinese government and private sector investor’s ability to impact large segments of Nigeria’s economy.
As the research above shows while PRC SOEs have a smaller total number of projects, their outward FDI is larger. This puts the preponderance of risk on the SOE, which enables LLCs and smaller companies to hedge their bets, so to speak, and invest in larger numbers of less risky but still profitable enterprises. The most obvious example is when a SOE builds a road, port or a FTZ, the private company can come in and invest in businesses close to these massive projects, lessening the risk because these roads and rail projects are linked to the consumers and the exporting markets. This is the method that the PRC and Chinese private investors used in Ethiopia (Naidu & Davies, 2006, p. 80). The Djibouti to Addis Railroad and ring road all connected the Chinese-financed industrial centers to the export ports in Djibouti, and at the same time ensured that Chinese exports could arrive in Ethiopia.
The PRC state-owned enterprises and private companies use the same approach in Nigeria. The Chinese are building infrastructure to ensure that their exports are able to penetrate farther into Nigeria, while at the same time, the infrastructure projects enable Nigeria to build domestic markets and export more efficiently. These projects do not appear to be predatory, nor do they appear to be directly targeted to drive Nigerian businesses out of business. They are profit-based investments that facilitate further growth in the domestic Chinese production capability and in the consumption markets in Nigeria.

The most impactful part of this investment is the rapid expansion of trade and its direct impacts on the Nigerian people. Trade in 2016 was about 4.8 billion dollars. In 2018, it was 7.5 billion dollars with a total increase of about 35% over two years. This predominantly favors the Chinese, who imported 4.5 billion dollars of goods to Nigeria in 2016 and only received 300 million dollars in Nigerian goods. In 2018, the imports from China increased over 2 billion dollars, while the exports tripled but only to 825 million dollars14. (NBS, 2020)

These cheaper goods often undermine the local competitors, and while some gain, more lose as a result of the economic competitive advantages that China has. The poorest segments of Nigeria thus have their livelihoods degraded by less expensive Chinese goods that destroy local, less efficient manufacturing. (Naidu & Davies, 2006, p. 79). This is the case in some sectors, and in some other sectors, Chinese have increased the total workforce.

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14 Initial figures and data drawn from Nigerian Bureau of Statistics. Calculations done by author.
While the strategic decision makers have say in overall policy, most business decisions have a very large economic justification. For example, in ceramics, Nigeria can source most of its clay and other pigments from the local area without needing to seek for resources outside the borders of Nigeria. This avoids the fees and cross-border disputes. Sun Ceramics, a Chinese owned, Nigerian based ceramic business is moving machinery from China and transporting it half a world away to further their business in the southern Nigerian state of Ogun. This will save the company money and time and allow it to expand its business (Feng, 2018). It will also have a direct impact on quite a few workers in this area and allow them to provide for their families.

At the same time, there are examples of businesses that have collapsed from the imposition of Chinese manufactured goods. In the mid-1980s, Nigeria had between 134 and 175 fully functional textile mills (Burgis, 2015, p. 65) (Okpala, Mlanga, Nwajiuba, Osanebi, & Ezemoyih, 2019) which provided direct employment for 450,000 people. This was about 25% of the total manufacturing workforce of the entire country. Additionally, the industry was supported by an estimated 600,000 local cotton farmers, (Isaac, 2019) and was, at one point, the third largest textile industry in all of Africa. This entire industry has collapsed as a result of a myriad of factors, the most important one being the influx of cheaper Chinese products. This has put at least 600,000 and possibly over a million people out of work, including the security guards for the factories, the people who would sell food to the workers, a lot of the cotton farmers, and everyone who was able to transport the cotton to the factories and the final product to the cities. The knock-on effects of the collapse of this industry are hard to imagine and quantify, but the current textile industry is only worth about 40 million dollars annually, (Burgis, 2015, p. 65) a small fraction of what it used to be.
In this way, the Chinese have what has been called a reverse Midas touch (Mills, Trejos, & Jennings, 2012, p. 66), where Chinese exports to Africa become inexpensive and available to large numbers of people that could otherwise never afford it, while at the same time, Chinese imports from Africa become more expensive, and Africa’s export incomes rise. For example, when the Chinese made Nigerian style cloths, they became so inexpensive that what was once a luxury became cheap enough for everyone to afford them. At the same time, the materials, the machinery, the cotton, and transportation assets that were used to create these things became more expensive. This meant that for the Chinese to continue their growth, they not only needed the materials produced, but they needed to be able to control the prices of those resources used to produce them. If they did not control them, the market prices for the raw materials would get more expensive, slowing their ability to sell them at lower costs and thus reducing their ability to export these items to the world. For Nigeria, this meant that the Chinese needed to find the cheapest places to create the fabrics and then the cheapest ways to move the fabrics into the Nigerian market and the cheapest source of cotton for the fabrics. Each of these adjustments to the market meant a Nigerian was cut out of the production. Nigeria did not produce the cheapest cotton, machinery for creating the fabrics, electricity for running those machines or workers to move and man the machines. Thus, for Nigeria, the Midas touch of China resulted in a great growth in Chinese textile industry at home and a reverse Midas touch for the Nigerian textile industry. The Chinese made sure that they were able to ensure downward pressure on the world’s supply of raw resources for the textile industry in a way that significantly altered the supply structure to their benefit (pp. 26-27).
China is banking on the expansion of the trade between the burgeoning middle and lower classes and the increasing in purchasing power. They also need the positive perception of the lower and middle class of people to continue to fuel their purchase of Chinese products and supply lower pad workers to Chinese manufactories. In order to ensure that they maintain access to these markets, China is investing heavily in the commercial infrastructure, specifically in Free Trade Zones (FTZ). There are 22 different FTZs in Nigeria (NEPZA, 2019). Out of these 22, Chinese SOEs have invested directly and heavily in two of them. The Ogun-Guangdong FTZ, which is about 11 years old, and the Lekki FTZ, which about 10 years old.

According to information from the Ogun-Guangdong FTZ, the Ogun FTZ is owned 82% by the Chinese company China African Investment Corporation (CAIC). CAIC also has a 100-year concession on the goods produced in the Zone and 100% managerial rights to the zone. It currently employs about 4,000 people and has provided training to about 30,000 who have since moved on. This is a large investment in ensuring that the population of this area can provide resources and goods for export and domestic consumption (Jegede, 2020).

The biggest commitment to ensuring the continuous presence of Chinese industry in Nigeria is the Lekki FTZ. This is the biggest and most visually, economically, and diplomatically impressive FTZ in Nigeria. This FTZ is going to be an entirely new city built just outside of Lekki Nigeria on the coast with reclaimed land forming the foundation for most of the city. This is a prestige project for the Chinese contractors and the government. When there was a labor dispute between the Chinese Civil Engineering Construction Corporation (CCECC) and Nanjing Jiangnan Economic and Technological Development Corporation (NJETDC), the Lekki governing body filed a complaint, and
the Chinese government then reportedly ensured that CCECC was given primacy in the logistics and satisfying the Lekki governing body (Mthembu-Salter, 2009, p. 22). I have not been able to find other instances in which the Chinese government has intervened directly in company disputes overseas. This type of commitment to ensuring that projects go smoothly and are completed ensures that China will have a foothold in Nigeria for decades to come. The direct intervention in what was essentially a private business matter shows the lengths the Chinese government will go to ensure that the population has a good impression of Chinese business and government sponsored projects. This will most definitely benefit Nigeria and China both in the short term. This continued investment will hopefully fuel a class of consumers and producers that will ensure a stable rise to almost 1/2 a billion people in Nigeria.

**Chinese Involvement in Infrastructure**

China is the largest outside investor in Nigerian infrastructure. The first attempted investment came about two decades after the thawing of relations. In 1994, the China Civil Engineering Construction Company (CCECC) won the contract for 529 million dollars to upgrade the Nigerian rail system (Mthembu-Salter, 2009, p. 6) This project never came to fruition, largely due to a presidential turn-over and lack of political will. However, this did start the conversation with China and Nigeria. China Civil Engineering Construction Corporation (CCECC) has been building additional capacity for the four biggest airports in Nigeria by adding new international terminals to each of them (Feng, 2018). Other projects sponsored and debt financed by the Nigerians, with large loans by the Chinese, include the Abuja-Kaduna Railroad, Abuja Mass Transit, Lagos-Ibadan Railroad, major upgrades to two ports (Port Harcourt and Port Lekki), and the Abuja township road project. Over the past decade, Chinese state
banks and contractors have helped build a 186km rail line between the cities of Abuja and Kaduna, with another line between Lagos and the northern city of Kano under construction. China Civil Engineering Construction Corporation is also working on new international terminals for Nigeria’s four largest airports. “From agriculture to transportation, China has helped rebuild rail lines, roads and bridges that Nigeria could not do itself,” says Jonathan Coker, a former Nigerian ambassador to China. “The cost came out so much cheaper for us than going to the traditional friends such as France, the UK, Canada” (Feng, 2018).

The result of this infrastructure investment by the Chinese has been extensive. The Charge’ de Affairs of the PRC in Nigeria Zhao Young, stated “trade volume between Nigeria and China has soared to 15.3 Billion USD in 2018, a 10.8% increase over 2017” (BRI News, 2020). As shown in the first section, Chinese exports have constituted an increasingly large amount of goods to Nigeria reaching further inland at lower costs. In the end, this is the reason for and a significant effect of the BRI investment; it is to ensure that the Chinese have markets for their goods for decades to come. BRI also ensures that the people who purchase and work for Chinese companies have a positive impression of the Chinese government and the Chinese investment in their country. They have most certainly accomplished their goals in the Nigerian market. Their reverse Midas touch has driven out many of the domestic sectors of the Nigerian production and allowed Chinese manufacturing to gain market share and profits that fuel the Chinese nationals back home. It has also produced lower cost goods and lower transportation costs that directly benefit many Nigerians on a daily basis. These good points outweigh the negatives for a large majority of Nigerians, even those that I talked to who were currently out of a job. While they were upset, they did not wholly blame the Chinese
people or the PRC government; their main source of anger was always directed at their own government with a healthy share left over for the Chinese (#5, 2021).

**Data Discussion/ Nigerian Attitudes Toward China**

**Overview**

The Chinese are viewed mostly positively by the majority of the population of Nigeria, with a very small section of the population viewing their influence as negative (Afrobarometer, 2015). An interesting fact that is apparent across Africa echoed by both the data and the interviews is that the majority of the respondents are very positive in their opinion of China, regardless of their income levels or education levels.

Figure 4.11 Nigerian Attitudes towards China

(Afrobarometer, 2015)
For the data analysis, I used round 6 of the Afrobarometer data from 2014 and 2015. The total sample size for the Nigerian survey results was 1867 respondents\textsuperscript{15}. In order to make the data easier to replicate and facilitate an understanding of the data, I simplified the occupational levels into three basic sub groups of low, medium, and high income potential\textsuperscript{16}. The results are summarized below. For the Kruskal-Wallis test, a lower P value shows that there is more correlation between the data. In order for the data to be statistically significant, the P value has to be below .05. Additionally, a larger chi-squared value indicates that there is a smaller possibility that the correlation could have arisen by chance. I amplified this data by conducting numerous interviews with Nigerians during the course of this project.

**Data: Opinion and Occupation**

The scatter plots show a larger absolute number of personnel in the positive and somewhat positive sections of the plot for Nigeria, with a positive correlation for Opinion and Occupation at .003774, which is smaller than the requisite .05. Kruskal-Wallis chi-squared = 11.159 indicating a small probability that this was a random occurrence.

\textsuperscript{15} For Nigeria N=1867
\textsuperscript{16} See appendix 1 Data Analysis for the complete formulas and the complete breakdown of the original data and the sections that I have moved it to.
Table 4.2 Nigeria Opinion and Occupation

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64% of those in the lowest income groups have a positive perception of China, 56% of the middle income, with 74% of the higher income section of the survey. At the same time the number of negative respondents peaks in the middle class. This result is unique among the three countries studied. Overall the trend is still evident as a person gains more wealth there is a higher chance that that person will have a negative impression of Chinese investment. With a smaller chance that they will be neutral in their opinion. This trend is smaller than both Kenya and Senegal but remains in force.

This is very evident in the scatterplot below that shows much more clearly the distribution of the results. We can see from the scatterplot that there are very few personnel who have a very negative impression of China. The plot also clearly indicates the larger number of personnel who have positive impressions of China vs. the much smaller number of negative impressions. However, it also shows that the overall trend continues to be the richer you are the more chance that you will have a negative impression of China.
Figure 4.12 Nigeria Opinion and Occupation Scatterplot

(Afrobarometer, 2015)
Data: Opinion and Education

There was no correlation for Opinion and Education in Nigeria with the P value of .07436. It did not meet the threshold of .05 that is needed to show correlation. Additionally, Kruskal-Wallis chi-squared = 5.1976 indicating that these numbers are almost twice as likely than the Opinion and Occupation data set to have occurred at random.

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Survey results show that 63% of the lowest educated section, 68% of the moderately educated section, and 67% of the highest educated personnel had positive impressions of China. With all three sections of the population reporting similar results, but only 1% difference between the two highest sections of the Opinion and Education, there was no conclusive evidence that education contributed directly to impression of China. While there was no mathematical correlation of the data it is instructive to show the large numbers of personnel who have positive or ambivalent feelings about Chinese influence in their country. While the data does not show a positive correlation it is interesting to note that the trend line remains the same. The more educated the more chance to have a negative impression of China.
The plots have been randomized within their specific areas in order to better visualize the numbers associated with each plot. The distance between the plots does not relate to the distance of each individual answer to the others.

(Afrobarometer, 2015)
The Why

When I discussed this with Nigerians, the rich and those with better jobs stated that while they understood that China brought many good things to their country, such as “roads and other infrastructure projects” and “cheaper clothes and toys for their children” (#8, 2021), they also understood that the influx of cheaper Chinese goods meant a lot of Nigerians lost jobs (#9, 2021). At the same time, it is also apparent that most people in Nigeria are happy with the Chinese investment in their country. When I asked why they said, “No one else will do it,” or “We need it. Where else will we turn?” (#3, 2021), or “When your house is on fire, you do not care about the quality of water” (#8, 2021). Clearly there is a large variance of opinion in Nigerian society just like there is in American society.

Another example is interview number 3. She is a female entrepreneur in Lagos who has a child. She has a little education past high school, but not much. She runs a small business selling purses and shoes that she purchases from China and resells to Nigerians who are in the lower and lower middle classes. I would classify her as upper middle class. When asked why she gets her products from China instead of local usages, she stated that the local products were unreliable in their shipments and sometimes of even worse quality. She stated that at first, she was willing to take all the product on credit that the Chinese gave her. Over time, she realized that she was never able to get out of debt. No matter how hard she tried, the Chinese contractor always demanded more money. Eventually, by leveraging other investment sources (family and friends) and finding a different supplier, she was able to get out of this debt. During our interview, interviewee #3 reflected on that time and acknowledged that it was very stressful. She would reflect on the negative aspects of the Chinese lender and did not
appreciate the strong-arm tactics, but in the end she maintained an overall positive perception of Chinese influence in her life and the country as a whole. She recognized that she had to work with the Chinese as:

“No one else will supply what I can sell. I cannot sell Nike shoes; they are too expensive. So, I have to sell Chinese shoes and Chinese belts and purses. The Chinese know this, and they use it to their advantage. Now I am much more cautious in dealing with the Chinese supplier. I know that they compete with each other. So, I find the one that is the best for me” (#3, 2021).

What is interesting about this woman is that she falls directly in the middle spectrum of the scatter plot. She is educated to the high school level and works with the Chinese, so she understands what they bring. She also recognizes that there is room for working with them and room for competition. This higher level of education has enabled her to not only see the risks, but to see the possibilities of the relationship as well. The higher income level has allowed her to have the ability to branch out and use the competition from other sources to offset the negative impacts of Chinese investment. It has also enabled her to see the undesirable aspects of Chinese investment, but she has been able to mitigate them. Her education put her on the path to accept Chinese investment, but her income level and occupation potentially put her in direct conflict. If instead she had been forced out of business by the debt load from the Chinese supplier, she would have had a much more negative view of that investment. At the same time, if she was a normal worker whose only focus was getting by day to day, she would have undoubtedly been happy to have a job and be able to buy shoes. She currently supports her family as well, and everyone works together.
At the same time, I discussed this with those who were less educated and less affluent. They almost universally indicated that the temporary loss of jobs was worth the increase in investment. The mere hope that they would get a better job working for a Chinese or foreign firm helped to sway their opinion of the PRC and Chinese businesses. “Even if the job [working for the Chinese] is only temporary, it is better than what I have now” (#4, 2021) and “I hope that all these investments will make it so my children have a better future” (#7, 2021). This is the hope that directly impacts the poorest segments of society’s impression on China. The hope that eventually the investment that the Chinese bring will in fact increase their ability to make ends meet and provide for their families. This is similar to what Hirschman and Rothschild said in their paper “The Changing Tolerance for Income Inequality in the Course of Economic Development.” In this paper, they postulated that during the course of development, a person views their individual circumstances as a road getting from their current situation to a better economic position. Everyone is on the road together, but you cannot change lanes. When you see the lane next to you moving ahead, even if your own lane is not moving, you have hope; “I expect that my turn to move will soon come. Nonrealization of the expectation will at some point result in my “becoming furious,” that is turning into an enemy of the established order” (Hirschman & Rothschild, 1973, p. 552). Every Nigerian I talked to holds onto this belief to some extent, even the rich who are more cautious and some of them more anti-China, they all hope that the investments from China will better their country and their own prospects. This belief means they also have a higher positive perception of China in Africa.

In my analysis, I discovered that there is no correlation between education and opinion of China. I fully expected that the most educated segments of society, those
with western education and advanced degrees would be the ones that had the lowest opinion of China. This is not the case. It appears that education does not directly lead to a less positive view of Chinese investment in Nigeria. This is surprising because I thought that those who were western educated and exposed to worldwide opinions on China would view China’s oppression of society and view their lack of support for good governance as negative thing. However, it appears that in Nigeria, that is not a critical factor in their decision-making processes.

Interviewee number 8 summed it up for me the best “you do not care if the water is dirty if your house is on fire.” While he is now a wealthy government worker who likes the Chinese investment a lot, he remains in contact with the less affluent members of his home village. The impact of the PRC development projects has had a direct impact on his perception of China. Interviewee number three was a middle-class female who had a sometimes negative view of Chinese investment and was cautious about the investment in Nigeria and in her business projects. She was able to maintain this perception while recognizing that it benefited her country and herself. She also knew that “If you do not pay the contract, they come after you.” Her business had grown as a result of the Chinese investment and had allowed her to create a better future for her and her child. This opportunity to interact with a private citizen of China impacted her entire world view on Chinese influence in her country. Even though she herself admitted that the Chinese provide needed things, she was cautious about their influence in the country. She was glad that the Chinese were there and able to provide but guarded about their continued presence. Much like when you have a neighborhood militia, you are glad that they are there to protect you, watch out for your investments, and provide you with what you need, but at the same time, a person needs to be very cautious about where this
might go if the militia decides that they no longer need to protect you or if the militia decides that they need a citizen's property.

**Nigeria Conclusion**

In small and steady ways, China’s relationship with Nigeria has deepened over the last twenty years. Some of these ways involve massive investment in infrastructure and in political capital with the leadership, but those investments only go so far. Chinese economic influence and exports to Nigeria of less expensive goods, create economic influences intrinsically linked to every Nigerian’s daily life, from the poorest Nigerian who now buys cloth and shoes made in China, to the richest that uses their contacts to make business deals and helps to put out the many fires in Nigeria with Chinese money. Chinese influence is ubiquitous, though sometimes imperceptible.

In all regards, these deeper ties between Nigeria and China have evolved into applications in the international sphere. The most recent example was when China endorsed Nigeria’s bid to become a permanent sitting member of the UN Security Council (Ramani, 2016). In return, Nigeria has supported China at the UN. In 2019 Nigeria was among the many other African nations that sent a letter to the UN Human Rights Council in support of the Chinese detention and reeducation of the Uighur groups in XinJiang province (Putz, 2019). Just recently, Nigeria voted with China to oppose the removal of Cannabis from schedule IV drugs from the 1961 convention on Narcotic Drugs (Kwai, 2020). China has continued the soft power offensive by coordinating linkages with the Nigerian Television Authority (NTA), which has allowed it to publicize Chinese cultural events and facilitated the public opening of the Chinese Gallery section in Nigeria’s National Library.
The key result of the combination of soft power and infrastructure diplomatic drive is that the majority of Nigerians believe that China is working in their favor and that it benefits their country to continue to have this level of engagement. Subject number 5 showed the effectiveness of this approach when he said, “The Chinese are not as rich as you Americans; why don’t you do more?” (#5, 2021). The Chinese are more successful in swaying public opinion because they are there on all fronts. It is easy for the people to see what the Chinese are doing. They build infrastructure that people can see and feel. The provide goods and that the people formerly could not have “My children now have toys; they did not have this option before” (#8, 2021). As a result, Chinese businesses and workers will continue to export large amounts of cheaper goods, fueling growth in China, and they will continue to be the primary source of imports for Nigeria, generating revenue that will build the PRC’s economy for years to come. As the Nigerian population increases, they will grow up knowing that the Chinese products everyone buys at the markets are the default. This generational shift will influence Nigerian economic prospects and politics for the foreseeable future.

The PRC has successfully ingrained themselves into the most basic aspects of Nigerian life; the Nigerians buy Chinese-made clothes and Chinese-made light industrial products. Everywhere you turn, in almost every shop, Chinese products are for sale. The Chinese investment is viewed as overwhelmingly positive by most Nigerians. The most surprising fact discovered through my research is that the wealthier Nigerians are, the more chance there is that you will have a negative perception of the PRC and Chinese involvement in Nigeria. It is not so much how much education you have, or where you are from, but how secure your financial abilities and job.
Those who are more financially stable are more able to consider the long-term impacts of the financial decisions that their leaders make. They are also more concerned with higher quality goods than just getting by. The wealthier also appear to be able to see the risks of investment loans and development financed and built by the PRC. This extra experience in managing their own financial resources has generally led them to recognize the downsides to outside corporations coming in and providing excessive debt financing to encourage growth. They understand the risks associated with increased involvement of the PRC and Chinese businessmen in their country.

The United States is not in direct competition in most areas that the PRC and Chinese businessmen are focused on. The US cannot compete in infrastructure development, nor can it compete in loans with no strings attached. What the US can do is provide more business-to-business interaction. What the Nigerians need are jobs. They need investment in manufacturing, in telecom and energy - everything that goes into making a society productive. It is in the best interests of the US to ensure the stability and peaceful equitable continuation of democracy and the improvement of human rights and good governance in Nigeria. However, there are few people in Nigeria who are willing to sacrifice growth, jobs, and development for the ideals of the West. Across the spectrum from poor to rich, from well-educated to no education, this was a common refrain. Nigeria cannot stop growing, and it cannot stop developing no matter what. The competitive advantage that the US has is in advanced electronics, airplanes, and heavy machinery, along with education and investing. These are things and services that the Nigerians will need in 10 years, but not right now. The PRC and Chinese businesses have been encouraging growth, providing for the basic needs of the people, providing jobs, transportation and publicizing what they are doing for years. In order
for the United States to gain access to these future markets and influence in Nigeria to promote good governance, equality and respect for all, the US must be able to support the day-to-day needs of the people. In order to do that, the US, through public and private partnerships, should begin to support more direct loans to businesses that make a difference and provide more insurance to American businesses that wish to “go out” to Nigeria and make a profit. These loans and grants would complement the trade allowing Nigerians to export goods to the United States, not necessarily facilitating the import of American goods.
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Chapter 5 Senegal

A brief Discussion

Senegal is on the most western Coastal Africa. A smaller nation, it does not have the economic power or influence of Nigeria, Ethiopia or Kenya, but it has been called the gateway into West Africa (CLISS, 2016). With relatively well-developed roads, a stable government, and a tradition of peaceful transitions, Senegal is an instance of democracy and stability in Africa. The Senegalese government works hard to ensure that they remain aloof from local and international disputes and has ensured, with large success, to avoid regional armed conflict and diplomatic tension. Senegal joined the General Agreement on Tariffs and Trade (GATT) shortly after independence and was one of the original members of the WTO in 1995 (WTO, n.d.). Since that time, Senegal has also become a critical partner in the Economic Community of African States (ECOWAS) and has become a party to the US African Growth and Opportunity Act (AGOA). These trading partnerships and a history of neutrality and stability give Senegal a larger voice in African politics than a smaller country with a more modest GDP would normally have. For example, Senegal was voted to be Africa’s representative on the non-permanent security council for the third time in 2015, most recently in ending in 2017 (UN, n.d.), second only to Nigeria and tied with Ethiopia and South Africa. Senegal consistently punches above its weight in African politics.

What is key about Senegal is its stability and broad diplomatic and trade ties to Europe, the Americas, and the rest of Africa. While other countries shun the political
impact of hosting an embassy from North Korea, Senegal ensures that it is open enough to allow the North Koreans to establish an embassy in Dakar. In addition, 90% of the population follows Sufi Islam, but the first president was Catholic. Since independence, every election has had a fairly peaceful turnover without the civil wars and coup d’état attempts common in other African countries. Senegal is respected in West Africa for its lack of religious strife and stable democracy.

The history of Chinese and Senegalese interaction is a relatively short one. In 1971, Senegal recognized the PRC as the sole voice for the people of China. The first record of Chinese traders and entrepreneurs arriving in Senegal is in the early 90s when two translators, employed by a construction company, decided to set up an import shop in Dakar (Giese & Marfaing, 2018). This began the tradition of workers from China coming over and setting up shops in Africa. During discussions I had with traders and workers in the market, it became clear that they thought that the Chinese traders were stealing some jobs. However, some of the traders were also happy that they were there. When I was able to talk to a man who sold Chinese-made fabrics in a small stall along with many other Senegalese, he said that: “On the good side, the stuff has gotten a lot less expensive. The previous traders would sell stuff a lot more expensively. We like that what they sell is so cheap” (#1, 2021). When I asked if it mattered if the quality was less, he said “In our case, no. But I know for the shoes or the electronics it is, but we can sell a lot more, and so in the end it is better for people. Even if they have to come back sooner.” The most common electronics are not the expensive laptops or tablets found in Western electronic stores, but there are small solar panels for charging phones, watches and flashlights and other inexpensive electronic toys. I assume that these inexpensive
products are also better for him, thus his affinity for China and Chinese importers. The Chinese influence in this case meant that this particular shopkeeper had ample opportunity to sell more items, increasing his profit margins. It has also allowed the people to purchase materials that they could not otherwise afford or find in Senegal, even if they were lesser quality.

In 1996, Senegal switched from acknowledging the PRC as the legal representative of the Chinese people to the Republic of China (ROC). Much like the PRC do today, the Taiwanese (ROC) had promised “large scale financial support” and investment to encourage diplomatic recognition (Gerhold & Tietze, 2011, p. 91). This resulted in the cutting off of any official recognition and bilateral ties with the PRC. As a result of this action, all official trade with the PRC was cut off, resulting in a drastic decrease in the number of official traders that would visit Senegal. This continued until Senegal restored relations with the PRC in 2005 (BBC News, 2018). Senegal could no longer ignore the financial and political benefits of recognizing the PRC over the ROC (Gehrold & Tietze, 2011, p. 92), which included larger investment and support from a potential veto country for a temporary seat on the UN Security Council. Directly after this recognition, during the first Forum on China and Africa Cooperation (FOCAC) summit in Beijing in 2006, Senegal was granted zero tariff treatment to export goods to the PRC (Cissé, 2013). With 14.8 million dollars in exports going to the PRC in 2005, 10.5 million in 2006, and then back to just over 14 million the next year, with a total export volume to the PRC since the FOCAC of only 1.02 billion, the balance of trade remains heavily in favor of the PRC exporters and businesses.

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18 Translated by author
One of the biggest impacts of the FOCAC exports is not the amount of materials exported but the nature of those exports. Processed nut oil had been a significant part of the exports previously. Being a final product, the number of jobs created and maintained was higher. Now the largest product is the unrefined natural resource of ground nuts, a minimally processed product that is exported to China and then reprocessed there. At the same time, exports from China to Senegal have grown dramatically from a few million in the early 2000s to 13.1 billion USD total volume by
2019, with an average just short of 2 billion USD a year for the last four years. (OEC, 2019)

**Figure 5.2 Chinese Exports to Senegal 2018**

The recognition of the PRC over the ROC has allowed China to export billions of dollars to Senegal while allowing marginally increased exports from Senegal to China.
What does Senegal need from the PRC?

Senegalese governments reestablished formal diplomatic relationships with the PRC in 2005, after an 11-year hiatus where they recognized the Republic of China instead of the Peoples Republic of China (Gehrold & Tietze, 2011). A critical domestic issue in Senegal has been the colonial ties to France (#5, 2021) (Thomas-Johnson, 2021). Currently, France remains one of Senegal’s largest investors with 2.1 billion dollars invested in Senegal. This coupled with the historic ties of the Central African Franc (CFA), keeps Senegal tightly integrated with France (Ministere des Affairs Etrangeres, 2019). With the expansion of trade with China, and with France no longer being the largest market for Senegalese businesses, Senegal may no longer need to be tied to the CFA. This has allowed the government to respond to popular protests and begin the process of disentangling themselves from their ties to France (Schwikowski, 2017) (Africa News, 2020). This includes the eventual removal of their foreign reserves from French oversight in the French banking system. (Aboa, 2019) Additionally, the government of Senegal also needs to “emphasize independence to their domestic audience, maximize aid flows and hedge against western aid conditionalities” (Arieff, 2013, p. 8). In these areas the PRC is a critical partner.

Senegal, like most of Africa, needs to grow at a steady rate that enables the government to avoid instability, poverty, food insecurity and other social-economic problems. The current dependency ratio for Senegal is 84.2, making it the 18th highest in the world (CIA World Factbook, 2020). The population pyramid below also shows that the population of Senegal, much like Nigeria’s population, will continue to grow at a rapid rate for the foreseeable future. This has the potential to lead to instability. In contrast to Nigeria, Senegal is not dependent on a primary commodity export for most
of its foreign revenue. In 2018, Senegal’s primary exports were split with refined petroleum being 10% (rather than crude oil), Gold as 15%, Sea food at 13% and Industrial chemicals at 9% (OEC, 2019). In order to ensure that the population has jobs and resources to make their lives better, the Senegalese have begun the process to branch out and try new things that will diversify their economy and ensure that they can grow jobs as fast as they gain people.

Figure 5.3 Senegal Population Pyramid
The West provides guidance and ideas, but the PRC government and Chinese companies provide capital that Senegal needs to build roads and develop the infrastructure to continue growth. The western powers are more focused on intangible development and immaterial goals, such as human rights, human capital, and good governance (Ghanem, 2018). Chinese companies are focused on the bottom line and getting their products to the market. This involves creating ways to transport goods, trade more efficiently, and encourage growth (Coulibaly, 2017). Additionally, a Brookings paper from the Africa Growth Initiative, and others recognize that the implementation of “modular replicable projects that are labor-intensive and support establishment and growth should be a top priority” (Iijasz & Ordu, 2021). “The government [of Senegal] will have to address some key constraints including... infrastructural deficiencies in electricity, transportation and telecommunications. (Mbaye, Gueye, Beye, Dia, & Mbaye, 2021)”

**What does the PRC need from Senegal?**

Senegal is not a large trading partner for China, nor is it a large economic powerhouse in West Africa. It is not an oil-rich country with many natural resources for Chinese companies to extract to fuel their own growth. It does not have the huge consumer market that Ethiopia, or Nigeria have, so why then should the PRC care about Senegal? The Chinese government devotes a lot of diplomatic and economic time and energy to the nurturing of this relationship. Why did the PRC choose Senegal, when they could have chosen trading partners like Nigeria, Angola, South Africa, or Ethiopia.
to host the next FOCAC (Kuyoh, 2021)? Each one of these countries has far more trade with the PRC than Senegal does, so why the focus on Senegal?

The Chinese government has long recognized the stability and potential of Senegal as evidenced by their larger investment in a smaller economy. Senegal was the first West African partner to sign onto the Belt and Road initiative. Senegal will also host the next Forum on China and Africa Cooperation (FOCAC) in 2021, and the two planning conferences prior to it will be held in Dakar (PRC Ministry of Foreign Affairs, 2018). On the international scene, Senegal will be the first African nation to host any portion of the Olympics in 2026, when they will host the youth Olympics in Dakar (FIFA, 2018). Senegal is the gateway to several nations through trade routes and is an exemplar of stability and influence in the region, and China is helping Senegal to gain more influence. As Senegal gains influence and prestige, it becomes easier for the PRC to showcase the benefits of Chinese intervention and its influence on the economies of African countries and the benefit it can provide to people all over Africa. While the Chinese do not export massive amounts of materials to Senegal, there were 373 million dollars in textiles such as woven cotton, yarn, women’s and men’s suits, and 394 million dollars in light machinery and electronics such as semiconductors and video displays exported to Senegal in 2018 (OEC, 2019). The African Continent is one of the largest

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19 The FOCAC started as a series of ministerial meetings in 2000. The first summit was in Beijing China in 2006 and was attended by 35 countries (Wenping, 2020). Each of the summit and ministerial meetings had progressively more participation with the most recent one in 2018 having more sitting heads of state than a similarly timed UN General Assembly Meeting (Dahir, 2018).

20 The Youth Olympic games were originally scheduled for 2022 but had to be rescheduled due to Coronavirus impacts on the IOC and the participating countries.
and fastest growing consumer markets in the world (Signe & Johnson, 2018), and China is embedding itself in that market.

**China’s involvement in Senegal**

The Chinese government and private Chinese industries have continued the standard approach seen across Africa, which is to focus on infrastructure development and investment in order to develop relationships and build business opportunities. What makes Senegal unique is the lack of mega multi-billion-dollar projects. This investment is as large as in other nations, reflecting an economy less able to absorb massive projects and large amounts of investment. So even though China had reportedly invested only 1.6 billion dollars in Senegal by 2018, the impacts have been felt across the country (Sonko, 2018).

**Economic exchanges**

China is Senegal’s largest single trading partner with just over 2 billion dollars a year in bilateral trade, with 1.94 billion of that being imports from China. This overshadows the next closest trading partner, France, at about 1.1 billion dollars of bilateral trade, and is more than four times as much as the USA with only 431 million dollars in trade (OEC, 2019).

**Roads**

The appetite for infrastructure is no less in Senegal than anywhere else in Africa. The Chinese government and private corporations are currently focusing on development of the roads and transportation infrastructure in Senegal. The biggest investments are located near Dakar, the capital. Senegal is a largely Sufi Muslim country, and the religious capital of Sufi Islam in Senegal is in Touba, about 70 miles east of Dakar. When I traveled the road to Touba in 2018, it was a collection of dirt paths and broken pavement left over from many years’ attempts to build the road to
make it easier to travel to the annual religious pilgrimage that brings between one and two million adherents to visit the shrines and Mosques in Touba (Judah, 2011). The last time I was in Senegal, there were at least two crashes that involved busses of pilgrims where 20 or more people died on this stretch of road in a one-month period of time. This was a large stain on the government’s public image, and the cry was heard long and loud to fix the roads. In addition to being a critical route for pilgrims and international travelers, this route is also one of the key economic linkages of the country. The road north of Touba heads directly to St. Louis on the northern border with Mauritania. If one takes the same road east, it diverges to two possible routes, both of which lead directly to Bamako in Mali. Both Mali and Mauritania are critical trading partners of Senegal (OEC, 2019). A large amount of the imports to Mali come through Senegalese roads and ports, providing additional income and job opportunities for Senegal.

The northern branch of the road that runs toward St. Louis and Nouakchott in Mauritania in the north is also in need of repair and upgrade. In 2018, it was mostly passable, but there were long stretches where it was narrowed to one lane with a shoulder due to road collapse and general degrading of the road. Even in its degraded state, this road did a lot to increase trade and facilitate the development of the north. I know that people from the embassy in Mauritania would drive down to Senegal over a holiday. They would either stop in St. Louis for a shorter holiday or travel to Dakar for a longer stay, and the road conditions directly impacted their ability to travel and spend money. A friend at the embassy recently drove on a repaired portion of this road, and they said travel time was drastically reduced. With 18% of their trade going north into Mauritania, this road is a critical lifeline of the economic well-being of Senegal (OEC,
Any improvements in this road will have a direct impact on their economic wellbeing.

The Senegalese and the Chinese know that increasing transportation costs decrease business, so it is no wonder that they focused on improving the corridor between Dakar and Touba to make the annual pilgrimage safer and more friendly to increase tourism dollars, and at the same time, decrease traffic costs for exporting and importing from both Mali and Mauritania. The development of these roads allows businessmen from China and Senegal to export more efficiently to local markets and markets in Mali and Mauritania. To facilitate this trade, the PRC has agreed to at least two large loans to finance construction projects in this region. The first was signed back in 2016 for 812 million dollars to link Dakar to Touba. This project will be complete in 2021 and is recognized as one of the best engineering projects of the year in Africa (ENR, 2019). It will reduce the travel time from 4 hours on a dirty, dusty, broken road to a little over one hour on a modern toll road expressway. This will directly impact not only those who go as far as Touba, but the economic interests of the region; “This infrastructure is a tool for improved access and integration as it will boost service quality on the trans-Saharan corridor leading to Bamako and the trans-coastal to Nouakchott in the North, Conakry and Abidjan in the South” (Wen, 2015).

In addition to the project to connect Dakar with Touba, the PRC has also agreed to fund a road that will run from Dakar to the newly built Blaise Diagne International Airport in Diass, southeast of Dakar. Like the other infrastructure projects, this road serves to increase the visibility of PRC investments, encourages economic development, and facilitates the dispersion of Chinese manufactured goods to Senegal and the neighboring countries. This toll road was valued at 400 million dollars and the
agreement was also signed in 2015. The road from Dakar to the airport is an efficient road and allows travel in a little less than one hour and has much improved the disposition of international travelers to the country. It is also a prestige project that will allow the Chinese government to show to other visiting nations what they could receive if they would allow investment from China. China has invested in prestige projects in other countries as well, such as the AU Headquarters in Addis Ababa, the SGR in Kenya, and the new Parliamentary building in Zimbabwe. Each of these projects have helped improve the perceptions of the people in those countries concerning investment from the PRC, and they encourage other countries to begin considering PRC investment.

**Diamniadio industrial park**

A newer aspect of the relationship between China and Senegal is the development of industrial parks. There is a large demand to acquire some of the jobs that Chinese companies will begin to export overseas in the next few decades. Ethiopia is ahead of the rest of the countries in Africa with at least four major industrial parks already established. The biggest of these is the Hawassa industrial park which was built by the Chinese Civil Engineering Construction Company (CCECC). It currently employs about 35,000 individuals (Misikir, 2020). An industrial park that size would change the lives of tens of thousands of Senegalese and provide a substantial amount of investment and taxes to the government. To that end, Senegal is attempting to encourage similar investment.

The first industrial park built after this model is the Diamniadio industrial park which is located 40km north of Dakar, along roads that the Chinese have been

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21 An industrial park is a location that is usually exempted from export taxes, provides less expensive labor costs, and allows a venue for international investment to create manufactures.
improving on the route to Mauritania. The Senegalese government provided 44 million dollars for the construction of the Diamniadio industrial park (Arthur, 2018), while the remaining balance of 138 million dollars was financed by the Chinese government (Peyton, 2017). While I was unable to find the name of the contractors that built the park, the PRC claimed credit for the successful completion of Diamniadio industrial park (Jianqiao, 2019). This park could jump-start manufacturing for Senegal. It is built close to a major transit line for goods going north to Mauritania and east to Mali. It is only a seven hour flight from the USA and only about six hours from Charles de Gaulle in France. Additionally, it is on an easy seven-day shipping north to Europe and fourteen days on the ocean to the USA, both of which are less than the twenty days it takes to get from mainland China to the West Coast of the USA (SeaRates, 2021). The first phase of this inaugural project is complete, and the park now hosts seven different factories. While this phase only employs 4,500 locals, the next phase is already in the works and is expected to employ another 23,000 people (Arthur, 2018). The PRC has promised to invest another 105 million dollars to complete the second phase of the industrial park and futuristic city (Sala, 2018). This project will have the potential to influence Senegalese in their perceptions of China. If the park provides good work and livable wages, then people may increasingly support continued engagement with China and Chinese investment, both governmental and private. The other option is to follow the example set by the Hawassa plant in Ethiopia, where the wage is limited to about 26 dollars a month. This wage does not meet basic living standards for Ethiopians (Barrett & Baulmann-Pauly, 2019, p. 4). Low wages, bad living conditions, and cultural differences have created rapid turnover among the employees (p. 13). The Senegalese will start off on
slightly better footing than the Ethiopians for three reasons. Firstly, their transportation network and location allow for more direct access to shipping lanes and export markets. This reduces transit times to markets and reduces costs for importing materials and exporting final products. Secondly, the World Bank ranks Senegal (123) 30 places higher than Ethiopia (159) in ease of doing business (World Bank, 2019). The ease of business ensures that new businesses will find it easier to set up workspace and hire personnel in Senegal vs Ethiopia. Finally, Senegal is ranked 47 in the world for freedom of press, vs 99 in Ethiopia (RSF, 2020). The freedom of press in Senegal might help to ensure that the Senegalese workers are not taken advantage of and abuses are moderated. These three factors could mitigate the friction points in the Diamniadio industrial park. These inherent advantages will hopefully ensure that the Chinese investment in the Diamniadio Park produces real, tangible results for the Senegalese people.

**Smaller Projects**

The PRC has recognized that Senegal is not capable of absorbing the same volume of cash, infrastructure development, and loans that they are providing to larger economies such as Nigeria and Ethiopia. As a result, there are also a few smaller though, very public projects financed by the Chinese government.

The Grand Theater in Dakar is a six-story 1,800 seat facility. It is a central feature in the night life for the expat and Senegalese in Dakar. The PRC paid 95% of the total 34 million dollars to construct the theater (China Daily, 2015). Another relatively small but much needed project was the Dakar Power Transmission improvement project. The project cost 70 million dollars, of which the PRC provided a loan to Senegal for about 50 million (AidData, 2014). This project was completed back in 2016 and
involved much needed upgrades to the power distribution and transmission lines. It was only 27 km of lines and 4 fully automated substations (Sinomach, 2016), but the entire project helped to alleviate power distribution issues in Dakar. The new national wrestling stadium is another gift from the Chinese people who donated the entire sum to build the 38 billion CFA stadium. The keys were symbolically handed over to President Sall by the President Xi Jinping when he visited Senegal in 2018 (BBC News, 2018). Wrestling is a major pastime for Senegalese and is one of the most popular sports in Senegal. The wrestling stadium will host part of the youth Olympics in Dakar in 2026 and will showcase Chinese construction expertise to all who attend the youth Olympics (IOC, 2018). Also, the addition of a Confucius Institute to the flagship university in Dakar will provide continued influence and positive impressions for years to come (Einashe, 2018).

The Museum of Black Civilization runs in the same venue as the monument to African Renaissance built by the North Koreans. The museum, which is much less visible to downtown Dakar, will have a greater impact on the international scene once the Senegalese convince other nations to repatriate works of art and artifacts from around the world. For a paltry sum of 34 million dollars, the Chinese have ensured that their influence will spread across Africa (Katz, 2018). With this project, which no western nation would finance, the Chinese government is in effect saying ‘we will build your roads, your stadiums, and your culture and will not try and replace it with our culture. We are not like the western nations who came and conquered and replaced all that you hold dear.’ The museum was designed by the Beijing Institute of Architectural Design and is supposed to evoke images of a traditional house from near Dakar (Sutton, 2018). As the Chinese government and companies seek to move away from only
providing roads and stadiums to providing higher visibility projects with a more refined appearance, this aspect of investment and messaging will become increasingly critical.

One of the best ways to ensure that the Senegalese people have a positive impression of China is by hosting the next Forum on China and Africa Cooperation (FOCAC). Senegal is officially listed as the Co-Chair of the summit by Chinese media (Xinhua, 2019). This is a high-visibility event not only for China and Senegal, but for all of Africa. The last one in 2018 had a representative from every country in Africa (with the exception of Eswanti) (FOCAC Summit, 2018). China is ensuring that this stable and friendly democracy is given a large voice in African affairs. One of the reasons for this is that “Senegal has taken the lead in West Africa in signing cooperation documents with China under the Belt and Road Initiative (BRI)” (Xinhua).” Showcasing the improvements that Senegal has received as a result of these BRI projects to all of Africa will increase the “Guanxi 关系”, “wasta” or connections and influence for both Senegal and China. All the international flights will arrive at the newly-upgraded airport and then move along the newly-built Chinese roadways. They will also visit the newly-established Museum of Black History. Each of these sights and venues will ensure that the softer influence of Chinese power will be loudly heard.

An additional item that has very little impact on the bottom line for China and Chinese business, but is a large symbolic gesture by the PRC, is tariff exemption for Senegal’s exports, wherein China agreed to exempt 95% of all Senegalese exports to China from all tariffs. This does not matter as much to the PRC because Chinese

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22 Guanxi, and Wasta are both colloquial terms common in China and North Africa which connotate the fact that I know someone, or I have a connection that will allow me to get something done faster or at a better price than an outsider would.
consumers only purchase 120 million dollars’ worth of exports from Senegal. The majority of the exports are lower valued items such as ground nuts, ground nut oil, frozen fish and mollusks (OEC, 2019). The impact in the initial years of the implementation of the tariff exemption was marginal for Senegal, but this impact has increased along with the amount of exports to the PRC. Last year, there were 289 million dollars of exports to the PRC, which is up from about 15 million in 2005. By establishing trade networks and partnerships in the main transit shipping point for the ECOWAS market, the PRC and Chinese businessmen are laying a foundation of trade that will facilitate greater interaction across the entire ECOWAS regionally integrated market system.

Figure 5.4 Senegal exports to China percentage of products 2019
The overall impact of the tariff exemptions was minimal for the Senegalese bottom line, as shown by the projected export increase chart below. This chart shows that projected exports will increase by tens of millions of dollars through the next seven years. Overall, it has a modest impact on the GDP of Senegal; however this was a political success that demonstrates PRC commitment to the Senegal/China relationship.
In addition to these widely publicized projects, the PRC has created several small scale projects across Senegal. For example, while in Dakar, I noticed that China had donated a large amount of exercise equipment for public use on the main beach. There were small signs every few meters that said “donated by the Peoples Republic of China” with a Chinese flag on each sign. Every time I went to the beach, I would see almost every workout bench filled and every barbell in use. They also opened a Chinese Department at the Cheikh Anta Diop University of Dakar, and they have a dedicated Chinese Radio International Station broadcasting in Dakar, St. Louis, Kaolack and
Ziguinchor Senegal. FM (Beye, 2016) (CRI Senegal, 2020). The Chinese Department impacts everyone who wants to learn Chinese, and as one interviewee stated, “It (Chinese) is the way of the future (#11, 2021).” These two projects were relatively inexpensive, but they provide persistent positive impacts on the perceptions of the people in Senegal.

The PRC, both officially through government intervention, grants, and loans, and through private companies who find it profitable to follow the lead the government provides, have ingrained themselves into many aspects of Senegalese society. Some are more beneficial than the others. Interview subject #11, a trader that I talked to about both Senegal and Kenya, said that “the Senegalese hear stories of how the Cameroonian were forced out their traditional market stalls in Yaoundé by Chinese people.” This experience of a country close by and similar in many respects gives the Senegalese pause and makes them “angry and scared at the same time” (#11, 2021). Currently, Chinese immigrants and businesses are not taking over all the market stalls in Dakar. However, I have seen an increase in the number of native Chinese-manned market stalls. The experiences of Cameroon are not too far from people’s minds in the poorest Dakar markets where you can buy Senegalese made goods right next to imported Chinese plastic toys and keepsakes. “We are becoming their [China’s] servants, but this time we are volunteering (#6, Senegal 2021).” Subject number 11 goes on to say, “Like a lot of Africans that can afford it, I am sending my children to learn Chinese, it is the way of the future. (#11, 2021).” In these two interview subjects, we see the dichotomy present in much of society. On the one hand, China is the way of the future; on the other hand, there is a fear of the cost of that involvement.
The Senegalese are generally appreciative of the Chinese influence in their country. The future equality of this relationship will rely on the Senegalese’s ability to balance their needs for development, jobs and security with the Chinese needs for markets for their goods. The United States can play a pivotal role in this future. I will discuss what the US can do in the final chapter of this research.

**Data discussion/ Perceptions of China**

**Background**

In 2015, 65% of the population of Senegal had a very positive or somewhat positive impression of China (Afrobarometer, 2017).

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Figure 5.6 Afrobarometer Round 6 Senegalese Impressions of China
The aforementioned projects and the diplomatic focus from the PRC and private investors have directly contributed to the overwhelmingly positive impression of China in Senegal. Senegal is not alone among African nations that feel that the PRC is a beneficial player on the continent (Sanny & Selormey, 2020). There are a large number of projects in Senegal, but not one of them matches the cost of the investment into
Nigerian oil or the SGR in Kenya. While the projects are smaller, the cost and scope do not appear to have impacted the perceptions of the people. “China brings more money than all the European countries. If you want to show results quick that is what counts. (#8, 2021)” In fact, every person I talked to had used or at least heard of the projects, and of the people I talked to, only one person expressed displeasure with the projects and the Chinese influence thus far. “I know why the Chinese are here. They are here to dump cheap goods and make cheap stuff while their factory owners get rich off of the stuff they dump here. Not caring that our trash is piling high, and their people are stealing our jobs. They say they only want to get rich, but they also want to make sure that Senegal supports all their efforts all over Africa. We are becoming their servants, but this time, it is us who are volunteering for this servitude” (#6, Senegal 2021).

Everyone else was more in line with interview subject number 4 who said, “I love that they are doing the work on the roads. I have driven on the road from Payage to Mbour, and it is great. I wish the Chinese would make more investment in Senegal. These projects have made me change from not liking China to liking China a lot. (#4, 2021)” The majority of the population is happy with investment from the PRC. Even the military, a formerly very EU/US centric body, has been moving toward the Chinese sphere of influence. “We know that their equipment is not as good, but it is cheaper, and they do not care what we do with it. They treat us like adults when we buy from them. We are not children. Even our schools are moving to understand Chinese military doctrine” (#2, 2021).

**Data Analysis**
For the data analysis, I used round 6 of the Afrobarometer data from 2014 and 2015. The total sample size for the Senegalese survey results was 1022 respondents\textsuperscript{23}. In order to make the data easier to replicate and facilitate an understanding of the data, I simplified the occupational levels into three basic sub groups of low, medium, and high income potential\textsuperscript{24}. For the Kruskal-Wallis test, for the data to be statistically significant, the P value has to be below .05. Additionally, a larger chi-squared value indicates that there is a smaller possibility that the correlation could have arisen by chance.

**Data: Opinion and Occupation**

Senegal like Nigeria had data that correlated to Opinion and Occupation but the Opinion and Education was not conclusive. For Opinion and Occupation I discovered a P value of 0.008306. The more money you make, the higher your income level, the more chance there will be that you will have a negative impression of Chinese investment in Senegal. The chi-squared for Opinion and Occupation was 9.5815 showing that it is unlikely that the answers were random coincidence.

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
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<tbody>
<tr>
<td>Very negative</td>
<td>32</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>57</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Neither positive</td>
<td>183</td>
<td>37</td>
<td>11</td>
</tr>
<tr>
<td>nor negative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>245</td>
<td>96</td>
<td>32</td>
</tr>
<tr>
<td>Very positive</td>
<td>167</td>
<td>88</td>
<td>22</td>
</tr>
<tr>
<td>% Positive</td>
<td>60.23</td>
<td>71.86</td>
<td>65.85</td>
</tr>
<tr>
<td>% Negative</td>
<td>13.01</td>
<td>13.67</td>
<td>20.73</td>
</tr>
</tbody>
</table>

\textsuperscript{23} For Senegal N=1022
\textsuperscript{24} See appendix 1 Data Analysis for the complete formulas and the complete breakdown of the original data and the sections that I have moved it to.
The wealthy were very vocal in their approval of the infrastructure and building. The scatterplot shows that the majority of the population has a positive impression of Chinese investment. Showing the impact of the projects that were completed through PRC funding or by Chinese companies in Senegal. At the same time there is a significant

Table 5.7 Senegal Opinion and Occupation Scatterplot²⁵

²⁵ The plots have been randomized within their specific areas in order to better visualize the numbers associated with each plot. The distance between the plots does not relate to the distance of each individual answer to the others.
portion of the population that expressed apprehension on the effects of Chinese investment. This shows that while a majority of the Senegalese generally supported the projects and the investment, they were uncertain as to the future of the investment the Chinese had established. “What is the return on investment the Chinese want?” (#11, 2021) Also intriguing is the percentage of negative opinions was 20.73% among the richest segments with an approval rating of 65.85% and the poorest at 13% disapproval and 60% approval. There is a marked increase in disapproval rating going from the poorest to the richest without as much change in the percentage of the population that expresses approval for the investments.

From the scatterplot and the Kruskal Wallis test we can determine that the income level is related to the perceptions of China. With a larger income the potential that a person will have a more negative outlook on Chinese investments also increases at a rate that exceeds increase in positive impressions. Interviewee #11, a wealthy trader, stated, “I want my children to learn Chinese and understand China. It is the way of the future. (#11, 2021)” He acknowledges that the understanding of Chinese language and culture is going to be a critical component of future negations and business dealing. So even though he himself was not a pro-China businessman, he wants his children to develop an understanding of the PRC and Chinese customs and culture.

At the same time that the business owners and more wealthy are acknowledging the positive impacts of Chinese investment the businessmen who are competing with less expensive Chinese imports and products, who are constantly fighting for profit, may view the Chinese influence as negative. “I buy my supplies from local Senegalese. The
Chinese traders, they import it from China. It is cheaper, but it falls apart so soon” (#7, 2021). Will this investment take away our ability to create jobs for the future? (#11, 2021)”

The majority of the wealthy enjoy and appreciate Chinese investment. They appreciate the roads and the new stadium. The PRC is attracting people to their point of view not through force of arms or outright payment of cash but through building bridges, parks and business deals (Nye, 2004); this is soft power. Even in the face of economic setbacks, this influence pays dividends in bolstering China’s positive reputation in Africa. Infrastructure projects employ many people at the same time that businesses large and small compete against private investors and companies from China who flood the market with cheaper Chinese-made goods, appealing to the largest segment of Senegal’s population, the poor. This is perhaps the most telling part of the story with the middle class in Senegal striking out as the most pro-China group they are the ones for whom the Tunnel Effect is in full swing they are the drivers that are accelerating their standard of living. With 71.86% of the middle class having a positive impression of Chinese investment and only .66 of a % point more negative outlook than the poorest segments of society, it is appears that the Chinese investment is having a large impact on the middle class.

When I attempted to find executive level leadership of a large (over 500 employees) Senegalese contracting company to interview, I could not locate them. When I addressed this with my friend in the government he said: “none of them are left. Only small ones are here. They subcontract for the bigger [Chinese] ones” (Official, 2021). Perhaps this is a reason why 20% of the rich have a negative view of China. They know that they cannot compete against the massive amount of capital that the Chinese can
bring in. Even though the leadership of the larger companies and some of the
businesspeople may have negative impressions of the influx of Chinese investment, it
appears that the workers have a positive perception even though there are problems.
“But despite the fact that - considering my level of studies - I earn less here than I would
at a Senegalese company, I’d prefer to continue working with the Chinese because they
have a strong work ethic, and you get to learn a lot more than you would at a national
comppany” (#3, 2013).

Interview subject #6, who is married with four children, is well educated,
traveled, and has a great salary working for the government stated, “We know why the
Chinese are here, and we do not like it. They bring in cheap stuff and dump it and
pollute and create bad products for the people” (#6, Senegal 2021). One of the only
graduate-level educated people I was able to interview stated his opinion after we
discussed what impacts China was having on Senegal. He was very clear in his opinion
that China is creating good will among Senegal’s neighbors and increasing the influence
and ability Senegalese diplomats have to navigate, even if it is only marginally in
Nigeria, Cameroon, and Cote d’Ivoire. This increase in influence was beneficial to him
and his office, but he was also aware that it was a double-edged sword. He was also
aware of how much influence the Chinese were beginning to have over the economy of
Senegal. While it is nowhere near as much as France had and maintains, he stated “we
know France; we do not know China” (#6, Senegal 2021).

I was able to find positions on both sides of the spectrum fairly easily when
talking to the wealthier members of Senegalese society. When talking to the less
affluent, I was not able to easily find anyone who was able to clearly articulate why or
even if they thought the influence from China was bad for their country. Some did
express a little apprehension, but those comments were mostly about change in general, or xenophobic in nature and thus not applicable to the study. This is most telling in that the public opinion of the masses is what motivates increased involvement by the leadership in a strong democracy such as Senegal. No matter their opinion on Chinese influence in their country, every Senegalese person I talked to stated that their country was currently benefitting by the influx of Chinese investment.

**Data: Opinion and Education**
Table 5.8 Senegal Opinion and Education Scatterplot
The P value for Opinion of China and education is .1819, which is not statistically significant\textsuperscript{26}. When we look at the scatter plot above, we can clearly see that the vast majority of the population that responded to the Afrobarometer surveys falls on the less educated side of the plot. We can also see that the plot distribution is much more evenly spread out across the entire plot. This indicates that across the more education spectrum there is not as clear a distinction among those who believe China is benefiting Senegal and those who do not. At the same time when we look to the left side of the chart we see that there are a large number of Senegalese citizens who fall in the less educated section and even among these people the distribution is much more even than it was for the scatterplot that shows opinion and occupation. This indicates that education does not appear to play a statistically significant role in a Senegalese person’s opinion of Chinese investment and influence on Senegal.

| Table 5.2 Opinion and Education Senegal |
|-------------------------|---------|---------|
| Very negative           |        |         |
| Low                     | 41      | 13      | 6       |
| Mid                     |         |         |
| High                    |         |         |
| Somewhat negative       | 58      | 16      | 7       |
| Neither positive nor negative | 203    | 18      | 10      |
| Somewhat positive       | 260     | 80      | 33      |
| Very positive           | 203     | 49      | 25      |
| % Positive              | 60.52   | 73.30   | 71.60   |
| % Negative              | 12.94   | 16.48   | 16.05   |

We see that the distribution of percentages is almost equal in the middle and the higher educated group and only falls among the least educated. I was able to interview two very educated people from Senegal. Interview Subject number 8 had a more positive

\textsuperscript{26} The standard for statistical significance is a p value smaller than .05.
impression of Chinese influence in Senegal. “They don’t require African nations to submit to macroeconomic constraints. They come with financial solutions and the expertise at getting the job done fast, and they work without meddling in your politics... China should have no guilt. They have studied the world, suffered and now they work hard. They know how to play the game right, business not war” (#8, 2021). The other educated person I was able to talk to expressed a different opinion “They are here to dump cheap goods and make cheap stuff while their factory owners get rich off of the goods they dump here. They do not care that their materials fill up our dumps with cheap Chinese goods... They are using this to make sure that Senegal supports their efforts all over Africa” (#6, Senegal 2021). Each of these people expressed a very different impression of the impact of Chinese development. While there may be underlying factors that I was not able to control for, the most obvious factor is the international exposure of the two people. Subject number 8 had only ever traveled to neighboring African countries while number 6 had traveled all over the European Union, the USA, and Africa. This wider exposure may have led him to form different opinions than his counterpart that had stayed in the local region to study and now to work. They were both originally from the villages in the more remote parts of Senegal and had come to Dakar to gain an education and find a job. They were both friends who worked on some of the same projects.

Another possible factor that should be considered is that both of the personnel interviewed received their first degree in Senegal. Subject number 6 received his advanced degree outside of Senegal, and number 8 received his in Dakar. Subject number 8 also recounted “the Confucius Institute is a nice place. It was clean and had rooms for studying. It was a very good place for students” (#8, 2021).
Overall we can see that as a person increases in wealth or occupational level they will have a higher chance to have a negative opinion of China. At the same time the varying impressions of China among educated Senegalese does not provide conclusive data to support the idea that there is a correlation between a person’s education level and perception of Chinese influence on their Country.

**Conclusion**

The Chinese government has an impressive track record of public support for investment. The people of Senegal have a positive perception of their relationship with the Chinese government and companies that operate in Senegal. This positive influence will ensure that the Chinese corporations continue to have access to Senegal’s markets, and through them, up into Mauritania and east into Mali. Additionally, the diplomatic influence of Senegal will continue to pay dividends in the UN for the foreseeable future. The poorer and less educated sections of society, without a doubt, have a positive perception of Chinese influence in Senegal. They know that the US and European countries are not providing the same level of engagement as the PRC. Even if this is not backed up by fact, their perception of that reality is all that matters to them. “China should have no guilt. They have studied the world, suffered, and now they work hard. They know how to play the game right; business, not war” (#8, 2021).

While it is apparent through my work and professional contacts that the US will remain the partner of choice for military hardware in Senegal for now, the US is no longer the partner of choice for investment, nor are they first choice for international delegations. “America is losing the [public perception] war because its strategy is costly, not focused on business. They [the Chinese] are soft dragons they beat you by selling to you, not by fear” (#8, 2021). The concrete examples of solidarity and union “south-south
cooperation” and “win-win cooperation” clearly eclipse the idea-centric diplomacy of the United States and their Western way of governance and development. At the same time, the Senegalese are also grateful for the American influence and the American stability efforts in the region (#10, 2021). While China may be winning the popularity contest for now, the United States still has the opportunity to step in and get involved.
Sources Chapter 5 Senegal
#2. (2021, Feb). Senegal. (C. Conner, Interviewer)


Chapter 6 Final Thoughts

Background
At the start of this project, I used income and jobs as a measure of income, and final educational level as the metric for educational attainment. I used these two factors to differentiate society into three levels: low, middle, and higher income and education. Using data from Afrobarometer, I completed a series of Kruskal-Wallis regressions to determine the relationship between income levels and opinion and educational attainment and opinion of China. In addition, I interviewed about 30 different people from specifically targeted categories in Nigeria, Kenya, and Senegal. These were not formal focus groups; they were purposeful examples of the people in the categories that I was researching, which enabled me to apply real-world perspective to the data analysis and survey responses from Afrobarometer. These semi-structured interviews in my opportunity sample allowed me to balance anecdotal evidence with the representative sample data from Afrobarometer.

The relationship between Africa and China is complicated and constantly changing. There is need of further study that focuses not only on the governmental-to-governmental relationship, but also on the relationship with the average African citizen from various backgrounds. These are the people that are the future of Africa.

Africa’s population growth and economic progress matters not just for Africa or for Europe; it matters for the United States. With the potential of 1.3 billion people, Africa in the future will be a critical aspect in foreign policy and economic growth. This population growth and economic activity can lead to prosperity, or it can lead to contention. If African nations are able to manage opportunities to ensure that their growing population has jobs available to them, then Africa will be a stable growth
partner. If these countries do not properly manage their growth, then there is the very real possibility that they could become:

“the symbol of worldwide demographic, environmental and societal stress, in which criminal anarchy emerges as the real “strategic” danger. Disease, overpopulation, unprovoked crime, scarcity of resources, refugee migrations, the increasing erosion of nation-states and international borders, and the empowerment of private armies, security firms, and international drug cartels” (Kaplan, 2000, p. 7).

Where that final straw is, no one knows. The choice is one that only the people of Africa can make. However, no one has ever made a choice without being influenced by differing voices. A choice cannot be made, and progression cannot be had without options, and an understanding of those options can lead to the best solution.

Analysis of Original Hypothesis
My original hypothesis was:

1- Africans without jobs, and the very poor, have less positive views than elites on Chinese intervention in their economy.

2- Africans with or those in small business, are less favorable than elites to Chinese intervention in their economy.

3- African elites will be relatively more favorable toward Chinese intervention in their economy.

These three hypotheses were inspired by my previous interaction with Africans from numerous countries and different educational and income levels. After a more thorough analysis and in-depth interviews, it appears that parts of my initial hypotheses were wrong.

1- I hypothesized that the poorest of Africans would dislike China due to the potential for lost income and jobs. This was incorrect. The poorest segments of
the society appear to like Chinese investment, jobs, and products. While there are general issues, the majority of the population is pro-China and Chinese investment.

2- I expected that the middle class would have perceptions that ran both directions based on their interactions with China and Chinese businesses. This was partially right. There were perceptions on both ends of the scale, but the preponderance was positive, even among those who had negative dealings with the Chinese.

3- I expected that the data would show direct correlation between wealth and education and pro-China and Chinese investment opinions and sentiments. This was partially incorrect. The data did not support a correlation for higher education and opinion of China in two out of three countries. However, opinion of China and wealth did show statistical correlation across each country.

1. Africans without jobs, and the very poor, have less positive perceptions than elites regarding Chinese intervention in their economy

   The most surprising result was that the poorest segments of society across all three countries were very pro-China. The consumer goods that the Chinese export to African nations improves the standard of living for the average African and provides them with items that they would not have had otherwise, such as cheaper clothes in Nigeria and Senegal, solar panels in Kenya, and inexpensive electronics and small toys for children. “My children had never had this many choices. They break, but we would have never had it at all without China” (8, Nigeria, 2021). The poorest people that I interviewed confirm data from Afrobarometer that this group views the investments as a positive sign. The infrastructure improvements that are funded through the PRC, like
new roads, port improvements, and rail lines, provide low-income people access to inexpensive, Chinese manufactured goods that enable them to improve their quality of life. This, in turn, improves the perception of that same group. The only deviation was in Kenya, where the poorest were also concerned with the debt load generated by Chinese investment. Every single person I talked to supported continued Chinese investment. The two most succinct examples were #8 from Senegal who said, “China brings more money than all the European countries and it counts if you want to show results, quick results” (#8, Senegal 2021), and one discussant who said, “Chinese society is amazing. When I was younger, China was like us - poor, and could not build a skyscraper. Now skyscrapers in every city; they are doing so well. They are demonized by you Americans but look how far they have come. This is a good model” (#2, Kenya 2021).

What was not surprising was that almost everyone I talked to about this topic supported the Chinese investment but criticized the exclusion of local workers from local production, even though studies have shown that the majority of workers that are hired by Chinese corporations are in fact local African workers (Sun, Jayaram, & Kassiri, 2017) (SAIS CARI, 2020). These studies focus on the actual jobs created. At the same time that the Chinese are creating jobs, the perception remains that Chinese people and businesses are keeping to themselves inside Chinese compounds, shipping in all their goods from China and refusing to interact with the local economy (#2, Mauritania, 2020) (#3, Kenya 2021). This lack of inclusion of the local economy in trade and investment opportunities negatively impacts the overall perception of Chinese investment. So even though the majority of people remain happy with jobs available products, there remains an underlying current of apprehension that is a direct result of
the perception that the Chinese are not involved in the entire gamut of economic activity available and are only focused on specific areas, leaving the others to languish.

The poorest Africans remain willing to endure the hardship of short-term economic problems due to lost productivity, lost or replaced job prospects, and economic disruption because they believe that better prospects are coming. These include the new jobs that infrastructure investment provide or the increased opportunities to travel and find new jobs. People also hope that the investment from China will spawn new jobs and new investment from both local and outside investors. “I like China they are building new things and it is helping us out” (#9, Nigeria, 2021)

2. Africans with jobs or small businesses will have lesser preferences than elites for Chinese involvement in their economies.

Hypotheses on the middle class were generally accurate. Those who have had their jobs threatened by Chinese imports and economic involvement were more negative than those who had not been impacted. Shopkeepers in Senegal, Kenya and Nigeria had all had interactions with Chinese businessmen, both positive and negative. Each one stated in various ways, “Where else will I turn?” (#3, Nigeria, 2021). Each of these shopkeepers also stated that the Chinese products were generally of lower quality. One of the interviewees from Kenya stated, “the quality of the solar panels are horrible, but they are cheap” (#5, Kenya 2021). Interviewee number seven who is from Nigeria stated, “The shoes are poor quality, but they are cheap” (#7, Nigeria, 2021). Each of these shopkeepers had been able to successfully navigate the influx of Chinese investment and businesses into their sectors, so they were ambivalent and happy, to some extent, on the impact the Chinese have had in their towns. Additionally, the influx of tangible concrete
investment in the form of infrastructure projects has also positively influenced people. Talking about the Thika Highway in Kenya, interviewee number #7 said “the road has made it cheaper and easier for me to get business from tourists. I am happy with it.”

On the other end of the opinion spectrum was a contact in Kenya who stated, “The Chinese do not purchase food or supplies from the local area. They do not buy produce from the local area. This really hurts the locals.” and “Generally people in my village hate the Chinese even though they provide nice things for us” (#3, Kenya 2021). We start to see that the people like the Chinese projects both in terms of infrastructure and in terms of new products. However, the Chinese workers and managers staying in compounds and not sourcing everything they can from local markets and people negatively impacts locals’ perceptions of China. “They never leave their compounds, like they are the kings of our villages” (#6, 2020). This stands in contrast to US initiatives which encourage and require local purchase of most things during country exercises and country engagements. Even to a large extent, local security and local food is required to be used for all but long-term storage at strategic locations.

3. African elites will be relatively favorable toward Chinese intervention in their economy.

Prior to beginning this research, in each of the previous example countries, I interacted with the owners or managers of large mineral extraction companies, or in the case of Ethiopia, a large manufacturing company that was supported by Chinese investment. In Mauritania, I was able to talk with a wealthy person who stated, “I love the Chinese. They purchase all of what I can produce, and my family is very happy with
it. No one else wants x27” (#1, Mauritania, 2019). In Ethiopia, it was the same story. “The Chinese have come in and financed this place. Look at the road, the airport, and now we are able to hire even more people to work, all due to the Chinese long-term approach” (#1, Ethiopia, 2018). The most unexpected and surprising result of this research, given my previous interactions with wealthy Mauritanians, Ugandans, and Ethiopians, was that the rich were more likely to have the potential for negative impressions about Chinese investment in their countries, even though they appreciate the benefits that come with the investment.

In my role as a researcher, I was able to interview a more diverse segment of the population and assure anonymity. Confidentiality was critical and allowed the people to express their honest opinions and beliefs without fear of reprisals. Generally speaking, their opinions were still very positive but with negative undertones. Each of the people I talked to understood that China and Chinese businesses provided needed capital investment and financing for expansion. This enables them to provide jobs and decrease costs, especially in transportation. However, they were also more willing to focus on the future of the interaction, wondering “where does this interaction go, what do we do about our debt, and what will happen if Chinese imports take over even more sectors of the economy?” (#1, Kenya 2021). Because the richest segments of society are not focused on the daily struggle for survival, they are sometimes able to more fully see the generational impacts of outside economic influence. This perspective gives them greater opportunity to pause and consider the impacts of Chinese investment in their countries both good and bad.

27 Identifying the product would immediately identify the person I talked to.
A completely unanticipated result of this research is that there was no correlation between education level and relative opinions of China. I previously believed that there would be a direct correlation between the amount of education a person received and their opinion of Chinese investment. My bias and experience, both professionally and personally with teaching in Africa, led me to believe that attending an institute of higher education in the US or participating in western style educational programs would directly influence the average African’s perception of China in Africa. While most people do in fact appreciate western ideals and culture, there was no correlation from the data as to the impact of education on their opinion. Education appears to have little to no statistical significance.

**Discussion and Conclusions**

One of the first and least surprising conclusions of this research is that a majority of Africans in the research countries are generally happy with Chinese investments in infrastructure. Among the small opportunity sample, not a single person among the poorest sectors expressed disgust or absolute displeasure with China or Chinese businesses. One person among the middle class was angry with China and Chinese projects. Elite interviewees were not angry at China or Chinese investment; however, each one of the richer people expressed apprehension at the incursion of Chinese businesses into their sectors. Each of the people I interviewed, and the scatter plots from more representative samples, show that there are some people who are at the extreme end of the spectrum and have absolute distrust for all things “Made in China.” However, these people are outliers and not the modal group, nor are they the ones with the potential to influence the majority of policy for these three nations. While absolute
distrust or displeasure was not common across any of the sectors or the countries, there were some that exhibited various levels of apprehension. This was apparent in different levels across the countries. People in Nigeria were generally happy with Chinese investment. The Senegalese also accepted Chinese investment, though a few were less enthusiastic. The Kenyans were the most apprehensive of them all, while still being satisfied with increased investment.

In all respects, this research bears out the conclusions that were described by Hirschman and Rothschild in their work on the “Tunnel Effect.” No matter the overall perceptions of the people, they were hopeful for the economic future (Hirschman & Rothschild, 1973). Chinese businesses are able to continue to expand their market share at the expense of local African manufacturers and businesses because they are able to provide people with jobs. These jobs offer hope that enables even those who have temporarily lost jobs that they might eventually rise above current income levels and help provide for their families and future. Political futures were not a focus of this project. While in the western media, one could find reports that say the Chinese are not providing jobs or encouraging growth, it seems that most of the people I interviewed were happy with the jobs being offered by the Chinese corporations. “I am happy with the Chinese jobs and job opportunities. My daughter is also working for a Chinese factory in China. They do a lot for us” (#1, Nigeria, 2021). However, there are stories that the Chinese live in compounds and do not interact with the Africans (and this has been my experience as well in Mauritania, Zambia, Ethiopia, and pretty much...
everywhere I have been in Africa). “Some local investors need markets for their produce, but the Chinese companies do not assist in this. In my home village, when the Chinese are given the contract for the construction of roads or businesses, they come with everything from China. They bring machinery, supervisors, food and cooks” (#3, Kenya 2021). Even this commonly held impression is not enough to dissuade most people from the allure of Chinese investment. The general belief is that while the Chinese may be insular, most Africans are willing to ignore these obvious quirks of Chinese managers in exchange for the opportunity to work. “A job’s a job, even if it is only temporary, it is better than what I have now” (#4, Nigeria 2021). A report by research corporation McKinsey and Company stated that,

“At the more than 1,000 companies we talked to, 89 percent of employees were African, adding up to more than 300,000 jobs for African workers. Scaled up across all 10,000 Chinese firms in Africa, these numbers suggest that Chinese-owned business already employ several million Africans.” Additionally, “nearly two-thirds of those employers provide some kind of skills training” and “Chinese firms have lowered prices for existing products as much as 40%” (Sun, Jayaram, & Kassiri, 2017, p. 11).

Even if the managers overestimated the numbers of people employed and the cost reduction impacts, the net effect is quite substantial. The average African recognizes this.

Each of the country’s government officials and private citizens that I talked to were happy that the PRC government was providing money for infrastructure projects and putting resources into their economies. The government officials were generally also happy with the jobs and opportunities provided by Chinese companies. While it may be difficult for outsiders to understand why they are willing to apparently sacrifice the cloth and clothing sector in Nigeria, and the shoes and soap sectors in Kenya, a report published by McKinsey and Company might shed some light on the reasons why.
“In the eight African countries we focused on, the number of Chinese-owned firms we identified was between double and nine times the number registered by China’s Ministry of Commerce (MOFCOM), until now the largest database of Chinese firms in Africa. Extrapolated across the continent, these findings suggest there are more than 10,000 Chinese-owned firms operating in Africa today (Sun, Jayaram, & Kassiri, 2017, p. 27). The top 1,000 of these companies comprise about two-thirds of Sub-Saharan African economic output29" (p. 8).

This economic impact drives the government officials to maintain and encourage even more investment in their country. An educated contact in Senegal stated “Like the rest of the world before, if you want to be a global power, you have to be involved in Africa.” Ambassador Cherggui also discussed a desire for China to become more involved with military support, but his words could also be taken to apply to economic support. “While the AU respects and appreciates China’s position on non-interference, we would like to explore ways in which China can increase its support... making use of the extensive leverage it brings to the table. (Chergui, 2019)”

While there is some state oversight from the PRC for the Chinese businesses, especially the state-owned enterprises, the sheer multitude of privately owned businesses trying to make a profit is substantial:

“Around 90 percent of these firms are privately owned—calling into question the notion of a monolithic, state-coordinated investment drive by “China, Inc.” Although state-owned enterprises (SOEs) tend to be bigger, particularly in specific sectors such as energy and infrastructure, the sheer multitude of private Chinese firms working toward their own profit motives make Chinese investment in Africa a more market-driven phenomenon than is commonly understood. (Sun, Jayaram, & Kassiri, 2017)

This was also the case when I talked to a Chinese shop owner in Senegal when I asked him if he reported back to the CCCPC. He laughed and said “I am just here to make

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29 This number is for the total economic output of the Sub-Saharan African area. In other words, the top 1000 Chinese companies in Sub Saharan Africa are responsible for about 66% of the total economic production of all these countries.
some money so I can go back home and live well. They do not care about all of us small fish” (#12, 2018). While the larger corporations are of course supported by the Chinese government, I can find no feasible way for the PRC to provide guidance and instructions to every single small business in Africa.

The appearance of large numbers of Chinese companies that all work in construction, plus the appearance that at least some tenders are competitive in nature, is enough to persuade the average person that there is not a PRC controlled attempt to colonize Africa. For example, in Nigeria there were ten firms bidding for a 2.2 billion-dollar bridge project in Lagos. Each of those firms were competing against each other, and five of them were Chinese (Oirere, 2020). Additionally, in Kenya, a quick internet search reveals a dozen Chinese owned companies competing for billions of dollars in contracts (Kenya Immigration, 2017) (Aswani, 2019) (Amaefule, 2019). “What do you mean? China is here to do business. They make money, we make money and have jobs. Of course China will never take over our country; they don’t have to. Who would want to take over this mess?” (#9, Nigeria, 2021). There are some projects provided by Chinese corporations that are not funded by the PRC Exim bank. The Chinese corporations heading these specific projects may not be directed by Beijing in their business activities. Instead, they often find it easier to accomplish their original goal of making a profit by following the path that Beijing is charting through actions. These actions include building bridges both physically and metaphorically while creating opportunities for Chinese companies to be part of the construction process.

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30 For an example of competitive Chinese bidding see: 10 Bidders Prequalified for Delayed $2.2B Nigeria Bridge Project (Oirere, 2020)
“Talking about colonization is clumsy, we are inviting them in. The Chinese are only coming here to earn money. Colonization was a conscious strategy to put your own [the colonizing countries’] choices first. Let’s not confuse the tough game of competition and self-interest with colonization. Doing business is okay” (#8, Senegal 2021). It is apparent that the majority of the people do not believe that the PRC is orchestrating the overall investment and managing every aspect of the Chinese business investment in Senegal. Even though there are various levels of apprehension, the majority of the people I talked to view the PRC investments not as an effort to dominate their way of life, but as a business relationship.

Another finding from this research was that the Chinese are winning the PR campaign, not because they spend more money, but because they publicize their investments. A majority of the newspapers, local radio stations, local TV stations, and local results from online searches show up with positive reports of PRC investment. This publicity bore fruit readily as each time I asked someone what they thought of Chinese investments, Chinese businesses, and Chinese works, they could name several projects, business or interactions. When I asked about American projects, the most common answer I received was counter-terrorism and weapons of war. There was no mention of the PEPFAR program, the programs that the US funds to help establish land rights, the good governance initiatives, and equality issues sponsored by the US State Department. Nor was there any mention of the many USAID programs across Africa that encourage food self-sufficiency or the US Development Finance Corporation (DFC). This fact is perhaps the most telling of all. Because the United States does not advertise what they are doing to help Africa, the African people are unaware of the assistance. “America is so rich why can’t they help us more like China?” (#5, Nigeria, 2021). It is obvious from the
level of interaction that the publicity surrounding the impacts of Chinese projects was able to directly change some people’s perceptions of China, and those same projects are also able to ensure that China is viewed favorably by the average person.

Many Africans are content with the infrastructure development because they see needed facilities without many complications. Generally, the projects are good enough with adequate materials and construction quality. “When your house is on fire you do not care where the water is from” (#8, Nigeria, 2021). The roads and projects that are trumpeted by China and by local politicians are built fast “… we are happy that [the road projects] are built fast and well” (#8, Kenya, 2021). I witnessed this for myself when I lived in Ethiopia and when I visited Mauritania; I also saw it in several other African countries. When the Chinese-made ring road partially collapsed in Addis Ababa, people were still glad that that the rest of it worked. They turned the part that was not drivable into a football (soccer) pitch while they waited for it to get fixed. From my interviewees, it appeared that they did not wholly blame the Chinese, believing instead that their own government deserved as much condemnation for the failure of the road as the Chinese contractors. “The government should have inspected better, and it should have forced them to stay and fix it” (#2, 2019). Their opinion of the quality of the Chinese road was overshadowed by the other projects that the Chinese had created, and shortly after, the road was fixed. “The airport will not collapse; the government will not let that happen” (#2, Ethiopia, 2019). “The rest of the road works great, just this one spot” (#3, Ethiopia, 2019). They chose to see the positive impacts of the road’s existence rather than the negative impacts of the short time it was inoperable.

Interviewees in Senegal brought up interesting comparisons; they expressed very strong negative feelings about the French. “What has France provided? Nothing!” (#5,
Senegal 2021) and “I hate the CFA (Central African Franc). It really hurts our economy.
The French have way too much power in the government” (#11, Senegal 2021). Both of
these individuals brought this up without my asking, to show that the Chinese were not
as much of a problem for their country as the French were. They both believed that their
government could currently handle the Chinese. In the words of Acemoglu and
Robinson, they believe that the leviathan is chained. In Senegal, the Chinese leviathan
has succumbed to the pressure of popular protest in the market.

Pettit defines dominance as: to “live in the shadow of the other’s presence, even if
no arm is raised against them. They live in the uncertainty about the other’s reactions
and in need of keeping a weather eye open of the other’s moods. They find themselves in
a position where they are demeaned by their vulnerability being unable to look the other
in the eye, and where they may even be forced to fawn or toady or flatter in the attempt
to ingratiate themselves. (Pettit, 1997, p. 5)” African governments and citizens exhibit
these traits when dealing with the PRC and Chinese businesses. While the African
people may believe the Chinese leviathan is mostly chained, they do not see it as
harmless. A majority of those interviewed did not wish to have their names used in this
research. Several were afraid of the potential for reprisals from Chinese business or
Chinese people. “I have Chinese customers. If they ever hear that I said anything
negative about China, they will never come back” (#7, Kenya 2021). That does not
include the government officials also asked for anonymity. The governments and
citizens I have worked with do not express these concerns when talking to American,
British, or Australian business or government officials. For example, when I visited
Tunisia in the first quarter of 2021, I spoke with a higher-level official who said bluntly,
“The US has not lived up to our mutually signed agreements and that the government of

Tunisia felt that a continuation of the status quo would seriously degrade the relationship” (#1, 2021). This official stated this to a high-level visiting official who agreed with his assessment. This was said in an open forum and was very confrontational. I have seen the same thing in Nigeria, Ethiopia and to some extent in Senegal when expressing displeasure with the actions of United States entities. Governments officials and private citizens, generally speaking, do not feel that they have to “fawn or toady or flatter” for western support. This reaction is perhaps the most telling aspect of how far the Chinese dragon has reached its influence into every aspect of African society.

**Data discussion**

The perception among the average person in Africa is that China is doing good things for their countries. This is corroborated by the data, the interviews, and the personal visits I have made to African nations. There will always be outliers, but most believe that help from China is increasing the quality of their day-to-day living and helping them to strive for a better future.

**Opinion and Occupation/Wealth brief summary**

Kruskal-Wallis chi-squared = 50.21, df = 2, p-value = 1.251e-11

The data for all three countries together is conclusive, as was the data for each of the countries. With a Chi-squared of 50 there is almost no chance that the results of the analysis are random or an accident of math. Additionally, the p-value of 1.251e-11 was far more statistically significant than any other individual group taken alone. At all levels of income, Africans have a positive impression of the PRC regarding trade and investment. However, the data clearly states the more wealthy a person is, the more
possibility that that person will have a negative impression of Chinese influence in their country.

Through the interview process it appears that they are cognizant of the long-term effects of economic influence. This leads to more apprehension of that same investment and trade and the debt coming from it. “I have seen the good from Chinese investment, their roads are good what they sell is better than what we had before, I just hope that we do not sell our future for our today” (#11, Senegal 2021). The roads that the PRC-backed companies built in Nairobi are much better than the ones they had 10 years ago, but “everyone has expressed reservations about the amount of debt that the project is causing” (#1, Kenya 2021). Each of these interviewees expressed appreciation for the investment and the impact of the products and the infrastructure on their day to day lives. At the same time, they were aware that the end result may not be as clear cut as they wished.
The scatter plot above shows the relative proportions among the categories. The wealthy were the smallest category. It was interesting to note that during the interview process every single wealthy person expressed appreciation for Chinese investment but also voiced apprehension for Chinese investment. This can be tied to the experience of the third interview subject in Nigeria, who was briefly covered in the section on Nigeria.

31 This chart is a compilation of the data from all three countries
She was wealthy enough to employ several people and provide for her family, but she also did not like working with the Chinese. A key factor she discussed was that she knew that the Chinese broker she was working with was leaving to go back to China in just a couple of years. “I know my broker is leaving soon. That is why he keeps trying to get me more in debt so he can make a quick buck before he leaves. There is no long-term relationship. He just wants my money and wants to leave.” (#3, 2021). This lack of long-term investment in the people and the relationship on her level indicated to her a lack of commitment to Nigeria and making things better for Nigerians. So, while she openly admitted she had no other choice, and that the money and products were beneficial, she also would have rather worked with someone who was going to invest for the long term in the local economy.

**Opinion and Education brief summary**

Kruskal-Wallis chi-squared = 38.234, p-value = 4.984e-09

While the correlation between Opinion and Education level was only statistically significant when for Kenya, when the data is combined across all three countries and with the larger sample size it shows that there is a correlation between education and opinion of China. The scatterplot below serves to illustrate that the vast majority of the population has a positive impression of China however, we can see from the number of responses that there is a trend. If a person gains more education that person has a higher chance to have a negative opinion of Chinese investment in their country. While not as significant or as obvious as the relationship between occupation and opinion this

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32 This chart is a compilation of the data from all three countries
relationship still speaks to the impact of the Chinese on the least educated and the most educated.

Figure 6.2 Scatterplot all three countries combined Opinion and Education

**Trends**

Without fail the same trends emerged across all three countries. The more wealthy a person accumulates the larger chance that they will have a negative impression of Chinese investment in their country.
Trends Kenya

Kenya was the most conclusive of the three countries I studied. The P-value was much lower than any of the other countries and clearly indicated a correlation between wealth and opinion of Chinese investment. Unique among the three countries it also indicated a very strong correlation between education level and opinion of China. The data indicated in both cases that the trend is the more wealth or education the more likely it would be that a Kenyan would have the potential to have negative attitudes about Chinese involvement in Kenya. The results of this are contrasted with Nigeria and Senegal with the results failing to meet my threshold for statistical significance between Education and Opinion.

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* Indicates result is statistically significant. In order to establish statistical significance, my minimum correlation value was .05. Senegal Education/Opinion was not significant. Nigeria Education/Opinion minor significance.
Trends Nigeria

The data did not show statistical significance between a person’s education level and their propensity to have pro-China sentiment. However, it did show correlation between a person’s income level and their ability to be more pro-China. Unique among the countries is the lower pro-China sentiment among the middle class. Indicating that the middle class is perhaps feeling left out of the advancements in society. When averaged out with the more wealthy members of society the trend line still shows that the more wealth you have the more likely you are to have anti-China feelings.

Trends Senegal

Similar to Nigeria it did not meet my threshold for statistical significance between education level and opinion of China. Similar to the other countries studied there is correlation between the wealth that a Senegalese person has and their potential to have negative impressions of Chinese investment. Perhaps most striking of all is that over 20% of the most wealthy harbor those negative impressions of Chinese investment.

The Way Ahead Policy Implications

These three countries, along with all of Africa, need continued investment. This research will enable US policy makers and professionals to have a basic understanding of the perceptions of the people on the ground in Africa on the subject of Chinese intervention in their country. This understanding will enable policy makers to begin to formulate actions that encourage African growth and American competitiveness in Africa, while not dissuading African nations from seeking Chinese investment, which they need in order to grow and ensure stability and counter violent extremists. The perceptions of nations will change over time due to external influences,
such as the impacts of the COVID-19 pandemic, decreasing or increasing export markets for resources, and the ever-changing nature of people’s opinions. This project offers a starting point, to give a basic understanding of the perceptions of the average person on the ground in Africa. The United States can and should do their best to influence all nations in a positive way. If African nations degenerate into warring factions, the United States will be expected to ensure peace and stabilize the region. In this way, ensuing the peaceful rise and expansion of African economies to meet the needs of their citizens will help reduce the American international military footprint, encourage domestic growth and increase the economic prospects of American citizens.

(1): It is not a Zero-Sum Game

The most critical aspect of moving forward is understanding that for Africans, the relationship with China is not a zero-sum game. The United States cannot and should not delay, deny, or attempt to dismantle any existing or future African approved PRC projects. The people of Africa deserve roads that work, lights that run, and jobs that provide for their families. This is a moral prerogative of all African governments that to ensure the long-lasting development of their people. Development is also beneficial to the United States. Reducing destabilizing factors on the region by having African economic growth ensures that the United States spends less capital involved in regional conflicts.

Most people respect the impacts of Chinese development in Africa, and they also respect the United States’ impact and attempts to ensure stability across the globe. Everyone was complimentary about Chinese influence while they were also pleased with American impacts on society and their role in stability. Most of those influences revolved around the American near-monopoly on international culture and style.
American movies, music and clothes remain the standard across the African continent, along with American military might in the effort to combat violence across the African continent. Africans in all nations interviewed believe that both America and China can be beneficial to Africa, and both nations have things to offer, and in turn can benefit from African exports. It does not have to be the US Western model for governance and economic output, nor does it have to be the Chinese methods of government and economic planning. Both the United States and China can have positive, beneficial relationships with Africa. As discussed above, there will be areas where the competitive advantages of one or the other will allow natural aggregation of benefits. At the same time, the other party will gain ground in a different way. In this way, both the US and the PRC can coexist while both work to benefit Africa. In order for Africa to be successful, it does not need to be molded on an American or Western model. Knowing this, American policy makers can see that taking ideas and practices from China, the EU, or other African nations will not diminish American ability to provide assistance to African nations. One of the things that America has to offer is the free market. The United States has reduced poverty from over 40% in 1820 to close to 10% today (World Bank, 2015, p. 63) Increased access to the free market in Africa would hopefully spur similar poverty reduction and GDP growth.

(2): Free Market Expansion

The difference between the US approach and the Chinese approach is that the US will work with existing institutions to unleash the developmental potential of the African people. The US cannot and should not import American labor and leaders to create for the Africans. Instead, American business backed by the loan guarantees from the US
Government should provide assistance and capital so that every African can create their own products, manage their own factories, develop their own relationships and compete against the PRC. Unleash the power of American and African businesses and profit motivated ingenuity.

Encouraging market competition in Africa will reduce dependence on Chinese investment. A critical aspect of this transition includes technology transfer and the training to make that transfer effective in the long run. The US government can provide direct action by increasing investment opportunities for private companies to invest in riskier markets through increased funding and publicity of the US Development Finance Corporation (DFC). The most critical part of this will not be the increased funding but increased publicity. At the end of 3rd Quarter in FY 20, the DFC still had an unobligated exposure of 30 billion dollars that could be allocated to support investment in African economies. For example, by supplying risk insurance, the DFC facilitated the building of a 46MW biomass energy reactor in Cote d’Ivoire and the contract to operate and maintain it for 25 years (DFC, 2018). This project directly supports a locally owned and operated business Society Des Energies Nouvelles (SODEN), who will run and operate the facility (Tisheva, 2018) (Njeru, 2021). It will also support local farmers who will transport the biomass and local people who will receive the energy. An American firm conducted a feasibility study to determine if it would be economically viable. At no point will American companies import workers to build this facility, nor will American companies manage the facility (Meridiam, 2019). This is the type of project that will enable African nations to develop their own industrial base, continue to expand their GDP and employ their citizens while avoiding unnecessary debt. Once again, this project was not widely publicized. I was unable to find any information in my search of
Senegalese French newspapers or online articles, nor did any of my Senegalese contacts know anything about this project. These types of opportunities with insurance and investment backed by the goodwill and the experience of the United States will provide options for African governments to choose what is best for their country. American corporations and governmental employees have for too long allowed public opinion to be influenced by actors who are not friendly to Western ideals. By increasing the visibility of the critical investments that America and American business make in African countries, the US will be assisting Africans in finding new sources of investment, giving them more options.

If at all possible, the US government should also employ the “buy local principal” in all interactions in African nations. This is what the US Government requires in war-torn places. In my US military experience in both Iraq and Afghanistan, we purchased everything we could from the local economy. At the same time, US-sponsored humanitarian aid organizations purchase almost everything from the local economy and hire almost 100% locals as well (Ward, 2021). This “buy local” focus encourages the establishment of local businesses and brings in outside capital. This new money allows the shop owner to pay taxes, hire new workers and buy new supplies, creating a ripple effect that encourages local job growth, which in turn provides stability and diversity to the economies of the local areas.

One of the pushes for current focus in the US interactions with Africa is the example of “Good Governance.” This esoteric ideal is often misunderstood and is applied in dealing with African nations who are trying to ensure that their people have jobs and roofs over their heads. Often, there is a disconnect between the application of this ideal “Good Governance” and the locations where rubber meets the road in Africa.
One way to counter that problem is to increase the visibility of the effects of good governance. This could be accomplished through virtual visits and virtual engagements as is being done in many locations right now through State Department programs. It could also be through visits and in-person meetings from both sides of the Atlantic Ocean. These partner cities would have commonalities that would be able to benefit both sides of the exchange. This interaction at the lowest level would allow mayors from American cities that have similar demographics to interact directly with their counterparts in African nations. This would allow African nations to better thrive as they come and see how small and mid-sized communities who struggle with similar problems and similar opportunities as those in their own areas cope with these struggles.

A potential area of focus for these interactions can be in contract negotiations. Most US municipalities use a bidding process that ensures there is minimal corruption in the process. It allows everyone to have an equal opportunity to produce the best work for the lowest price and allows the public to have oversight on the politicians. While corruption is an endemic part of working in Africa, focusing only on the corruption and attempting to root it out has, in my experience, produced no appreciable results. A more focused approach that will facilitate development would be more effective. Instead of focusing on only the idea of good governance, the example of these partner cities can help to focus African municipalities on contract negotiations and how to establish a fair and balanced trade deal. These are tangible products and ideas that can change the way a city works. This change in work will help move the entire good governance concept along. This will ensure that China, America, and Africa are all on a level playing field and will enable the development of the society at the same time as the development of the economy.
(3): Share what the US is doing

One of the critical factors that I observed during my interview and travels echoes very closely the research by Shinji Teraji who stated:

“the empathy people feel toward those who have been kind to them, and the hostility they feel toward whose who have not ... reflects strong reciprocity, namely, a propensity to reward those who have behaved cooperatively (Teraji, 2018)”

The PRC is much more effective at spreading the word of their investments, trade and economic activity in Africa than the United States. In Mauritania, Senegal, Nigeria, Kenya, Ethiopia, Zambia, and Zimbabwe, to name a few of the countries that I have seen firsthand, there is a huge sign saying to some extent or another “Brought to you by the People’s Republic of China.” This has built up a lot of good will or “empathy” and a desire to “reciprocate.” At the same time, the United States which has invested almost 100 billion dollars in direct payments fighting the AIDS pandemic has done so with very little publicity (US DoS, 2021). This lack of publicity has led to the opposite effect. While people respect the power and authority and efforts of America to preserve stability and security through force of arms, they say, “Why doesn’t America provide more for the people?” (#9, Kenya, 2021) and “America is so rich why can’t they help us more?” (#5, Nigeria, 2021). The average African wonders why America is not more involved in their individual lives. America does a lot of work with the government, and the perception is that the United States does little to improve the lives of the average person in Africa. This discrepancy between actual results in African nations that have seen a huge decline in AIDS deaths, and the scant knowledge that it is largely funded by the PEPFAR initiative, is telling. Clearly the United States needs to do a better job at providing
information to the average person on the work that the US is doing to help them in these
countries, with no direct benefit for the United States of America.

A critical part to sharing what the US is doing and “showing the flag” is by having
higher level visits by US officials. To put it in context, Chinese high-level government
officials have visited Africa over 100 times since 2007 (Xinhua, 2019) (Lijadu, 2018)
(Xinhua, 2018) (Winning, 2018) (China Power Team, 2021). During the same time
period, US Presidents and Secretary of States have visited Africa 54 times (US DoS,
2021). Each of these visits give the visiting dignitary the opportunity to tout their
country’s involvement in the host nation. These engagements are always broadcast
widely, increasing the reach and impact of simple statements by the visiting dignitaries.
Both the PRC and the US use these visits to their fullest extent. The biggest difference is
that with roughly twice the number of official civilian diplomatic visits, the Chinese
diplomatic efforts are leading the way in Africa.

Without a doubt, the United States is currently the cultural world power
(Guerlain, 1997) (Crane, 2014), but this cultural influence does not matter as much if no
one knows what America is doing actually benefits them. The United States needs to
increase the number of high-level diplomats visiting African nations. They also need to
do a better job of publicizing the massive amount of engagement that helps support the
average citizen of Africa on a daily basis. Additionally, The US can and should
restructure the current focus of developmental aid on good governance away from
esoteric ideals that are not able to help the average African progress in their careers and
ensure food on the table and a roof over their head. The US should focus on business-to-
business relationships and encouraging the development of good governance through
examples. Above all else, the US needs to continue to encourage this hope for a brighter
future through example but also through deeds. For without deeds, words are meaningless.

(4): Help create a China Plan
An actionable item that the US policy makers can address is to assist African governments in producing a “China strategy”. This strategy should be founded around helping African nations to establish bargaining strategies for international companies. This will enable African nations to use their assets for a better operating environment for negotiations. In the words of Abhinay Muthoo, a country’s “bargaining power is higher the less impatient she is relative to the other negotiator” (Muthoo, 2000, p. 148).

One of the key issues with African nations’ need for investment is that it makes them impatient. This a result of their growing populations and the need to expand their GDP. To continue with Dr. Muthoo’s work, a key bargaining tool that the African nations must begin to use is the “outside option.” The negotiators need to begin to use tactical patience in order to develop other options that will enable them to achieve near parity at the negotiating table. Helping the African nations develop an outside option should include assistance in creating legal foundations and legal options for redress against all foreign firms. They need an equitable legal foundation that can impact firms that operate in the target country.

When I interviewed people in Africa, most preferred to be anonymous (which was part of the research protocol). Many expressed fear of possible repercussions, either professionally or personally, for talking about China. This was the case even if they were unabashedly pro-China, such as the first interview subject from Nigeria (#1, Nigeria, 2021) Those with negative opinions, such as a government official from Kenya, were
very insistent that no identifying information be included at all (#1, Kenya 2021). This level of fear needs to be countered by an open media that can discuss with frankness the good and the bad about every aspect of their country, including Chinese investment. To that end, the United States needs to encourage freedom of press across the entire continent. The country that had the most potential for negative perceptions of China was Kenya, which sits at #100 in the world for press freedoms, better than Nigeria but worse than Senegal (RSF, 2019). When I talked to the Kenyans about their perceptions of China, those that chose to discuss the debt situation all acknowledged that their news media reported regularly on the mounting debt problem and the reported possibility that they might have to hand over control of the port of Mombasa. They also included stories of Chinese managers beating their workers, mothers being abandoned by the Chinese father of their child, and many other negative stories. This abundance of negative reporting is the greatest reason I found that there was a tendency not only among the wealthy but also among the well-educated for a negative perception of China. While Senegal has a freer press, according to Reporters Without Borders (RSF, 2019), it has not reported on the impacts of debt and the possibilities for negative results from Chinese loans, which is a possible reason why the correlation statistics are several orders of magnitude less significant than the Kenyan results.

The United States needs to encourage open discussion and reporting of all facets of the Chinese investment. This reporting should include the negative impacts of their investment, as well as the positive impacts, such as decreased transit times and the increase in products available. Unbiased reporting in African news media will encourage dialogue and allow for the continued discussion and informed decision making by the African people. A possible way to accomplish this is through grants and
training. (Lim, Bergin, & Lidberg, 2021). The press in the United States remains free, able to report both negative and positive stories on what they see and hear in the United States. This training and these examples need to be shared and improved on. The ability to share what is true and share what is out there needs to be emphasized.

African nations will be better able to defend their interests when dealing with the PRC and Chinese businesses if the news media is able to share both the good and bad reports and if the African negotiators are able to better use bargaining strategies. The better informed public will be able to help keep both sides of the negotiations on track and ensure that the African people receive the most for their labor.

**Final Thoughts**

I first became interested in the foundations of the Chinese Empire when I visited the Terracotta warriors at the tomb of the first Chinese Emperor, Qin Shihuang. Qin Shihuang was the first person who created a unified China under one Emperor in 221BC (Feng, 2013, p. 6) Before Emperor Qin established the Qin dynasty, the much smaller and less powerful Qin state, through a succession of powerful kings first consolidated internal rules and norms. This process took about 100 years. After the state of Qin had established their internal mechanisms, their next step was to begin by “imposing itself on an economically less developed, over ethnically different people in a climatically contrasting environment” (Sage, 1992, p. 117). In a similar fashion, the Chinese state started out weaker than its neighbors. Now that it has organized its interior, it is imposing itself on economically less developed and ethnically different people in a completely different environment.
After the Qin state under Qin Shi Huang had dominated economically, politically, and then conquered its neighboring states Shu and Ba, the Chu state began to establish anti-Qin alliances with the more easternly state of Qi. When this happened, the Qin state used bilateral negotiations to threaten military violence and offered conciliatory territory. This appeasement eased the tensions, giving them breathing room to match the militarily superior Chu state (Sage, 1992, pp. 120-123). In a similar fashion, the US and other nations have created multilateral alliances to counter China’s expansion and growing power, while China has generally refused to negotiate in a multilateral sphere, instead focusing on bilateral engagements. This is particularly telling in the South China Sea. In 2016, the PRC assured the world they would not militarize their bases in the South China Sea (Yi, 2016). Shortly after they lost the arbitration case to the Philippines, China militarized their outposts. They exploited weaknesses in their ASEAN counterparts to ensure no unified diplomatic approach prevented the continuation of the militarizing of the man-made outposts. In Africa, the PRC uses a similar approach where they steadfastly refuse to engage an entire block in negotiating trade deals and establishing something similar to the African Growth and Opportunity Act (AGOA). In Africa, China prefers bilateral engagements instead of working with the entire AU, ECOWAS, or any of the other multilateral engagement platforms. This ability to leverage the fissure points in international coalitions and a longer perspective ensures that the PRC has the strategic breathing space needed to become a world power.

In direct violation of international agreements, the PRC has removed the “high degree of autonomy” and drastically changed their social and economic systems and lifestyle that was supposed to remain unchanged for 50 years (UK Parliament, 2019). “The Sino-British joint declaration, as a historical document, no longer has any practical
significance, and it is not at all binding for the central government’s management over Hong Kong.” (Kang, 2017). China has signed on to the UN Charter on the Law of the Sea but completely disregards what it believes to be incorrect judgments against it in the South China Sea. In a statement from the Chinese foreign ministry directly after the ruling went against the PRC they stated, “The Chinese government immediately declared the ruling invalid and uninhibited. China’s position is clear and constant” (Ministry of Foreign Affairs of the Peoples Republic of China, 2016). Will the world support the United States’ efforts to maintain freedom of Navigation in the South China Sea? Will the world support Pro-Democracy groups in Hong Kong if the United States cannot muster the diplomatic prestige and influence to counter the PRC’s anti-US and anti-democratic leanings? In each of these cases, the PRC takes and abandons international agreements similar to the ancient Qin Empire who initiated treaties with the Chu state and then reneged on those treaties as soon as it had the strength to do so. If the Chinese are willing to disregard international treaties that are politically unacceptable with relatively powerful countries such as the UK, or very visible such as the South China Sea, will the PRC abide by the conditions they have signed on to with smaller, less powerful nations in Africa? In the same vein is there potential for the PRC government or other private entities to treat agreements for mineral extraction or infrastructure investment repayments in the same way that the government treats the UN Convention on the Law of the Sea.

The African continent will be critical in the future. There will be more people and more consumers there than Europe and North America combined by 2025 (UN, 2019). If the United States wants to help ensure stability and economic prosperity for American and African citizens, then the US must enable African nations to develop in equitable
ways. The PRC and Chinese businesses, who are only focused on profit and the
development of export markets, will not be able to ensure the peaceful rise of volatile
regions and countries. If the situation in Hong Kong is any indicator, economic
development alone cannot compensate for political frustrations. It is only through a
unified effort that peace and prosperity can be achieved. This peace and prosperity will
open markets for export, reduce illegal immigration to Europe, reduce military
expenditures, and enable greater cooperation to stem the tide of violence and
oppression against the many diverse peoples in Africa.

These markets have the potential to dramatically change how the world’s
economies operate. Increasing trade and investment in Africa by American private
enterprise will provide options for the African people. Florizelle Liser, former assistant
U.S. trade representative for Africa, noted that “if the United States and its partners
could work to achieve a mere 1 percent increase in Sub Saharan African share of world
trade, it would represent an additional $70 Billion in annual income, or three times the
amount of total development aid to the region” (Bright & Hruby, 2015, p. 94). In some
ways, this effort will appear similar to the effort by the PRC; however, the key difference
is that the US efforts are focused on working by, with and through local companies,
business and entrepreneurs. This will assist African economic growth while developing
institutions and opportunities that place them on the path to continued independent
development. For example, the first commercially viable, waste-to-energy plant that
sources biomass from locally produced cocoa husk waste in Côte d’Ivoire partially
funded by American taxpayer dollars. This energy plant will use the waste from cocoa
production to create electricity for local distribution. It will also provide farmers another
source of revenue as they are now allowed to sell the husks from the process. However,
it will be contracted through a local company working with a French company, supported by an American company and built by local workers. The plant will be managed with local talent (Njeru, 2021) (Tisheva, 2018). This is the difference that will appeal to Africans and enable a prosperous future for both African nations and the US. These options will provide tangible results; these physical manifestations of American and African effort together will not happen if the perceptions of the people are such that they think the PRC is the only game in town that cares for them and their needs. Thus, there is great need to begin now. If the perceptions of the African people are not taken into account now, in 20 years when their economies are booming, the markets are fully developed, and the governments are established, there will be no place for American interests.

In the end, what the United States is after is not dominance in Africa, either militarily, economically or politically. Liberty in Pettit’s words is “Emancipation from any such subordination, liberation from any such dependency. It requires the capacity to stand eye to eye with your fellow citizens. In a shared awareness that none of you has a power of arbitrary interference over another” (Pettit, 1997, p. 5). This liberty is what Africa needs, and it is only through an effort that is primarily African in focus and driven with support from the United States and their allies that liberty can be achieved in this fashion.

**Future areas of Study**

During the course of my field work and research there were several areas that I did not have time to explore that would provide additional new information, enabling a greater understanding of the dynamic relationship between Africa and China.
1- The impact of press on perceptions of China. Does a freer press indicate more or less positive and negative stories about China, the PRC and Chinese investment?

2- Several of the people I talked to in Kenya stated that they had started to see an abundance of Chinese currency in the markets. Will the availability of the Yuan impact the ability of Africans to conduct trade with China?

3- A study on the impacts of increased publicity by DFC. Will increased publicity increase the rate at which American businesses use the products that are offered by DFC?

This paper has enlightened my understanding of the perceptions of the African people on Chinese investment and interactions in their countries. Through proper application of the new knowledge presented in this paper, a western policy maker can provide options to African nations that will help them to make the best decision they can make for their people and for their future.
Sources Chapter 6
#2. (2021, Feb 1). Kenya. (C. Conner, Interviewer)


Appendix 1 Data Analysis Methodology

In order to analyze the data, my original plan was to utilize an ordinal logistic regression, but the data did not meet the "proportional odds" assumption required by ordinal logistic regression. The proportional odds assumption says that, between any two adjacent levels of responses, the odds ratio between those responses is about the same. If people are about a quarter more likely (*1.25) to answer "Somewhat negative" than "Very negative," the odds should be about the same that people are as likely to answer "Neither positive nor negative" than "Somewhat negative." As a result, I decided to use a nonparametric test, where no such assumptions are required. The test that I decided to use was the Kruskal-Wallis rank sum test, which allows everything to use the rank ordering system from Afrobarometer.

The sample size for the three countries was:

Nigeria: N=1867  
Senegal: N=1022  
Kenya: N=2195  
All three combined N= 5084

The Final p values

Nigeria: Opinion ~ Occupation Levels ---> .003774  
Nigeria: Opinion ~ Education Levels ---> .07436

Senegal: Opinion ~ Occupation Levels ---> .008306  
Senegal: Opinion ~ Education Levels ---> .1819

Kenya: Opinion ~ Occupation Levels ---> .00000008558 = 8.558 · 10⁻⁸  
Kenya: Opinion ~ Education Levels ---> .00000003371 = 3.371 · 10⁻⁹
Kenya

Data: Opinion and Occupation grouping
Kruskal-Wallis chi-squared = 32.548, p-value = 8.558e-08

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>33</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>74</td>
<td>42</td>
<td>19</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>260</td>
<td>92</td>
<td>15</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>534</td>
<td>352</td>
<td>90</td>
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<tr>
<td>Very positive</td>
<td>319</td>
<td>275</td>
<td>67</td>
</tr>
</tbody>
</table>

Figure A-1 Scatterplot Kenya Opinion and Occupation
**Data: Opinion and Education**

Kruskal-Wallis chi-squared = 39.016, p-value = 3.371e-09

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>24</td>
<td>24</td>
<td>8</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>56</td>
<td>46</td>
<td>33</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>266</td>
<td>71</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>421</td>
<td>360</td>
<td>195</td>
</tr>
<tr>
<td>Very positive</td>
<td>271</td>
<td>266</td>
<td>124</td>
</tr>
</tbody>
</table>

Figure A-2 Scatterplot Kenya Opinion and Education
Nigeria

Data: Opinion and Occupation
Kruskal-Wallis chi-squared = 11.159, p-value = 0.003774

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Low</th>
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<th>High</th>
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</thead>
<tbody>
<tr>
<td>Very negative</td>
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<td>11</td>
<td>2</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>38</td>
<td>42</td>
<td>7</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>300</td>
<td>181</td>
<td>27</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>434</td>
<td>97</td>
<td>58</td>
</tr>
<tr>
<td>Very positive</td>
<td>207</td>
<td>200</td>
<td>43</td>
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</tbody>
</table>

Figure A-3 Nigeria Opinion and Occupation Nigeria
**Data: Opinion and Education**

Kruskal-Wallis chi-squared = 5.1976, p-value = 0.07436

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>6</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>20</td>
<td>38</td>
<td>29</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>170</td>
<td>240</td>
<td>98</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>220</td>
<td>391</td>
<td>178</td>
</tr>
<tr>
<td>Very positive</td>
<td>110</td>
<td>235</td>
<td>105</td>
</tr>
</tbody>
</table>

Figure A-4 Nigeria Opinion and Education
Senegal

Data: Opinion and Occupation
Kruskal-Wallis chi-squared = 9.5815, p-value = 0.008306

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>32</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>57</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>183</td>
<td>37</td>
<td>11</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>245</td>
<td>96</td>
<td>32</td>
</tr>
<tr>
<td>Very positive</td>
<td>167</td>
<td>88</td>
<td>22</td>
</tr>
</tbody>
</table>

Table A-5 Senegal Opinion and Occupation Senegal
Data: Opinion and Education
Kruskal-Wallis chi-squared = 3.4091, p-value = 0.1819

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<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>41</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>58</td>
<td>16</td>
<td>7</td>
</tr>
<tr>
<td>Neither positive nor</td>
<td>203</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>260</td>
<td>80</td>
<td>33</td>
</tr>
<tr>
<td>Very positive</td>
<td>203</td>
<td>49</td>
<td>25</td>
</tr>
</tbody>
</table>

Figure A-6 Senegal Opinion and Education Senegal
All 3 countries combined

Data: Opinion and Occupation
Kruskal-Wallis chi-squared = 50.21, p-value = 1.251e-11

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>85</td>
<td>48</td>
<td>16</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>169</td>
<td>98</td>
<td>36</td>
</tr>
<tr>
<td>Neither positive nor</td>
<td>743</td>
<td>310</td>
<td>53</td>
</tr>
<tr>
<td>negative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>1213</td>
<td>745</td>
<td>180</td>
</tr>
<tr>
<td>Very positive</td>
<td>693</td>
<td>563</td>
<td>132</td>
</tr>
</tbody>
</table>

Figure A-7 Combined Opinion and Occupation overall
Data: Opinion and Education
Kruskal-Wallis chi-squared = 38.234, p-value = 4.984e-09

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Mid</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negative</td>
<td>71</td>
<td>50</td>
<td>28</td>
</tr>
<tr>
<td>Somewhat negative</td>
<td>134</td>
<td>100</td>
<td>69</td>
</tr>
<tr>
<td>Neither positive nor negative</td>
<td>639</td>
<td>329</td>
<td>138</td>
</tr>
<tr>
<td>Somewhat positive</td>
<td>901</td>
<td>831</td>
<td>406</td>
</tr>
<tr>
<td>Very positive</td>
<td>584</td>
<td>550</td>
<td>254</td>
</tr>
</tbody>
</table>

Figure A-8 Combined Opinion and Education Overall
Preparing the Data
The data was downloaded from Afrobarometer's website using round 6 data. The data was compiled using a combination of STATA and R to code and understand the data.

Occupation
The question about occupation originally had these as possible responses:

1. Missing
2. Never had a job
3. Student
4. Housewife / homemaker
5. Agriculture / farming / fishing / forestry
6. Trader / hawker / vendor
7. Retail / Shop
8. Unskilled manual worker
9. Artisan or skilled manual worker
10. Clerical or secretarial
11. Supervisor / Foreman / Senior Manager
12. Security services
13. Mid-level professional
14. Upper-level professional
15. Other
16. Refused
17. Don't know

"Other" and "Student" could represent many possible levels of current occupation, so those were removed. Also removed were "Missing" and "Refused." Reordering the remaining response levels as follows seemed to make more sense when thinking of Occupation from "lowest to highest."

1. Never had a job
2. Don't know
3. Housewife / homemaker
4. Agriculture / farming / fishing / forestry
5. Trader / hawker / vendor
6. Retail / Shop
7. Unskilled manual worker
8. Artisan or skilled manual worker
9. Clerical or secretarial
10. Supervisor / Foreman / Senior Manager
11. Security services
12. Mid-level professional
13. Upper-level professional
To simplify response levels for analysis, as well as to clarify the intent of the question, I grouped occupations into "Low," "Mid," and "High" as follows.

- **Low**
  - Never had a job
  - Don't know
  - Housewife / homemaker
  - Agriculture / farming / fishing / forestry
  - Trader / hawker / vendor
- **Mid**
  - Retail / Shop
  - Unskilled manual worker
  - Artisan or skilled manual worker
  - Clerical or secretarial
  - Supervisor / Foreman / Senior Manager
  - Security services
- **High**
  - Mid-level professional
  - Upper-level professional

**Education**
The question about education originally had these as possible responses:

1. No formal schooling
2. Informal schooling only
3. Some primary schooling
4. Primary schooling completed
5. Some secondary school / high school
6. Secondary school / high school completed
7. Post-secondary qualifications, other than university
8. Some university
9. University completed
10. Post-graduate
11. Don't know

Moving "Don't know" to the beginning made sense when thinking of this construct as a measure of education from lowest to highest.

1. Don't know
2. No formal schooling
3. Informal schooling only
4. Some primary schooling
5. Primary schooling completed
6. Some secondary school / high school
7. Secondary school / high school completed
8. Post-secondary qualifications, other than university
9. Some university
10. University completed
11. Post-graduate

As with occupation, I grouped education into "Low," "Mid," and "High" factor levels as follows.

- **Low**
  - Don't know
  - No formal schooling
  - Informal schooling only
  - Some primary schooling
  - Primary schooling completed
- **Mid**
  - Some secondary school / high school
  - Secondary school / high school completed
- **High**
  - Post-secondary qualifications, other than university
  - Some university
  - University completed
  - Post-graduate
Appendix 2 List of Interview Subjects

Nigeria

#1 Uneducated, Lower income class, Unemployed
#2 Uneducated, Lower income class, Day Laborer
#3 Moderatly educated, Business owner,
#4 Uneducated, Lower income
#5 Uneducated, Day Laborer.
#6 Midlevel education, Full time worker
#7 Uneducated, Market Stand Seller
#8 Well Educated, Wealthy
#9 Well Educated, Middle income level
#10 Moderate education, upper middle income

Senegal

#1 Midlevel education, Trader in stalls
#2 Well Educated, Upper middle class
#3 Midlevel education, middle management
#4 Midlevel education, Manager
#5 Not educated, worker in a factory
#6 Highly Educated Worker Upper Middle
#7 No education, Shopkeeper
#8 Highly education Well paid salaried employee.
#9 Midlevel education, Entry level position full time job middle income class
#10 Well Educated middle class.

#11 Midlevel Education Very Wealthy, Business owner

Kenya

#1 Mid-Level education, Wealthy

#2 High Level Education, Wealthy

#3 Mid-level Education, Wealthy.

#4 Uneducated middle-class shopkeeper

#5 Mid-Level education, middle-class shopkeeper

#6 Uneducated, Day Laborer lower income level

#7 Mid-Level education, Business owner high income level.

#8 Uneducated, low-income level.

#9 High Level Education, Business owner, very wealthy

#10 Uneducated, Day Laborer, low income level

Ethiopia

#1 High Level Education Business Manager. Very high-income level

#2 No-Education Day Laborer, Low-income level.

#3 Low Education. Middle income level.

Mauritania

#1 Moderate Education. Business owner. Very high-income level.

#2 No education. Low-income level

#3 High level Education, Wealthy
Tunisia

#1 High level Education. High income level.