China’s Belt and Road Initiative and Intra-Regional Dynamics in Africa

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Abstract: This article examines the influence of China’s Belt and Road Initiative (BRI) on intra-regional dynamics. Given that the BRI traverses many countries, what has not been fully addressed in the literature is how the initiative is likely to influence inter-state relations in specific regions. This article fills this gap by examining the influence of the BRI on intra-regional dynamics, taking East Africa as the case study. The article finds that the implementation of the BRI infrastructure projects—the Lamu Port-South Sudan-Ethiopia Transport [LAPSSET] corridor and the Standard Gauge Railway [SGR]—has pushed Uganda and Rwanda into close partnership with Tanzania on the one hand, and resurrected historical suspicion between Kenya and Tanzania on the other. This regional realignment has produced gains and losses in the short term and is likely to alter the traditional balance of power in the long term. Furthermore, the implementation has provided agency of choice to Uganda and Rwanda to maneuver between Kenya and Tanzania, thereby aligning their choices with respective national interests. However, potential risks could reduce competition and favor cooperation, thereby promoting regionalism.

Keywords: BRI, East Africa, China, Intra-regional, Kenya

Introduction

Transport infrastructure has long been recognized as a critical component of global mobility and connectivity of goods and services.1 China’s Belt and Road Initiative (BRI) is President Xi Jinping’s foreign policy brainchild project initiated in 2013, aimed at promoting policy coordination, facilitating connectivity, unimpeded trade, financial integration, and people-to-people exchanges.2 The initiative comprises hard and soft infrastructure components. The former component includes railways, highways, roads, utility stations and power grids, gas pipelines, and telecommunication networks projects.3 Other projects include industrial parks and special economic zones, shipping facilities, and related facilities in energy, commerce, tourism, information technology, bio-technology, and alternative energy sectors as well as trade fairs and exhibition halls. The latter component comprises free trade agreements, credit lines, bilateral agreements, and neoliberal measures aimed at attracting foreign investments.4 Other projects include capacity building programs aimed at creating a pool of talent relevant for the development of the initiative.5

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Since its inception, studies have emerged specifically examining China’s BRI. Focusing on the implications of the BRI, these studies could be classified into two groups: those examining the implications for China’s foreign policy and those looking at the implications for different continents. In the former group, Peter Ferdinard, for instance, argues that unlike President Hu Jintao who pursued a cautious foreign policy, President Xi’s BRI has placed Chinese foreign policy on a risk-embracing pathway given the expected risks in the earmarked BRI countries. The latter group addresses the ramifications of the initiative for different continents. This group is further divided into four categories of studies analyzing repercussions for Africa, Asia, the Middle East, and Europe. This categorization follows the logic of the role played by China in different parts of the world. South Asia is viewed as the primary geopolitical sphere of influence of China, while the Middle East is often referred to as a “strategic extension” of the sphere due to China’s desire to fight insecurity challenges in its Western provinces. Due to its colonial heritage, Africa has traditionally been a sphere of influence for western powers. China, however, perceives it as having many things in common at least by virtue of sharing colonial experiences and having similar development problems. For Europe, while China has made inroads in some Eastern countries, few mechanisms have been put in place to enhance its cooperation on the western side. Because of variations in role perception in different parts of the world, the implications of the BRI differ as well. Given that the BRI traverses many countries, what has not been fully addressed in the literature is how the initiative is likely to influence inter-state relations in specific regions. This article addresses the gap by examining the influence of the BRI on intra-regional dynamics taking East Africa as the case study. It seeks to answer the following question: How do BRI infrastructure projects (the Lamu Port-South Sudan-Ethiopia Transport [LAPSSET] corridor and the Standard Gauge Railway [SGR]) influence the inter-state relations in the East African region?

When we merge the nascent literature on the BRI with existing scholarship on China-Africa relations, the neglect of regional dynamics becomes noticeable. A wide array of research tends to treat the African continent as a monolithic entity, or focuses on specific countries then extrapolates the findings to the entire continent. A number of studies have attempted to expose regional dynamics, although more research is needed. Ian Taylor, for instance, explores China in Southern Africa via country-specific case studies. Sara van Hoeymissen examines China’s role on African Regional Economic Communities (REC). Francis Ikome meanwhile focuses on the role of the African Union in the emerging China-Africa partnership.

Drawing on primary and secondary data, the article finds that the implementation of the BRI infrastructure projects (the LAPSSET corridor and the SGR) has pushed Uganda and Rwanda into close partnership with Tanzania on one hand, and it has resurrected historical suspicion between Kenya and Tanzania on other. This regional realignment has produced gains and losses in the short term and is likely to alter the traditional balance of power in the long term. Furthermore, the implementation has provided agency of choice to Uganda and Rwanda to maneuver between Kenya and Tanzania, thereby aligning their choices with respective national interests. Potential risks, however, could reduce competition and favor cooperation, thereby promoting regionalism.
The next section provides the framework of analysis by pulling together theoretical reviews of regionalism, geopolitics, and the influences of the BRI in different regions. This is followed by a section outlining the historical context of geopolitics of the East African region from a transport infrastructure perspective to provide the foundation for the argument of the influences of the BRI projects on the region. The article then provides findings on the regional responses to selected BRI infrastructure projects (the LAPSSET corridor and the SGR). The penultimate section discusses the influence of the LAPSSET corridor and the SGR on intra-regional dynamics.

**Regional Geopolitics and Influences of the BRI**

Regionalizing international relations as a theoretical enterprise goes back to the works of Edward Gullick, Hans Morgenthau, and Martin Wight. These scholars observed regularized patterns of interaction within sub-systems of the international system that were presumably controlled by a regional balance of power. Later, Hedley Bull observed that a regional balance of power prevented regional hegemons from bullying minor states. Since the early 1990s, regionalization of international relations has skyrocketed, attributed mainly to the influence of globalization on the states. Following Bjorn Hettne, this article views regionalization as “the complex processes of forming regions” either “consciously planned” or “spontaneous.” According to Hettne, regions may emerge via five levels:

- a geographical or ecological grouping defined by natural boundaries;
- a social system with relations between different human groups across borders;
- an organized, institutional grouping cooperating in particular fields;
- as regional civil society with more organized and converging communication and value system;
- and a region as a distinct unit with agency.

A closely related concept is regionalism, which entails “the political effort to organize states into particular cooperative groupings,” but in Africa it occurs concurrently with regionalization. This article refers to Africa’s distinct parts—East, the Horn, Central, South, West, and North—as regions and therefore views East Africa as a region comprising sovereign states, heads of states, and intergovernmental organizations as main actors. The sovereign states are Burundi, Rwanda, Uganda, South Sudan, Kenya, and Tanzania, and the East African Community (EAC) as the main intergovernmental organization. The first four countries are landlocked while Kenya and Tanzania possess coastal ports for international shipping that serve the landlocked countries.

Classical geopolitics emphasizes three features in international relations. First, international relations are influenced by spatial terrain consisting of natural material objects. These objects are the frame guiding the policy options of decision-makers. Second, classical geopolitics elaborate on rational strategies pursued by the state derived from geographical conditions affecting it. Third, most scholars of classical geopolitics place an emphasis on the spatial-temporal dimension of material objects because they evolve over time. Heartland theory, as espoused by Halford Mackinder, remains enduring wisdom in classical geopolitics,
explaining economics and politics via geographical location and physical geography. Advancing Mackinder’s theory, Nicholas Spykman saw foreign policy strategies drawn from physical geography and location, and he is best remembered for his famous quote “ministers come and go, even dictators die, but mountain ranges stand unperturbed.” Building on this, contemporary scholars of geopolitics like Paul Kennedy conceive of geopolitics as “the influence of geography upon politics. How distance and terrain and climate affect the affairs of states and men.” Colin Flint meanwhile defines geopolitics as the capacity of a state to control and compete for territory. It has generally been argued that classical geopolitics explained foreign policy exclusively by physical geography and location. Mackinder’s works, however, were based upon the influences of man-made infrastructure projects like railway routes. Therefore, it follows that a full comprehension of geopolitics entails consideration of both natural objects (e.g. resources) and human-made objects.

By its very nature geopolitics is a regional or global phenomenon. In fact, as noted above, one of Hettne’s five levels views regions as emerging from “a geographical or ecological grouping defined by natural boundaries,” thereby providing the conceptual nexus between the region and geopolitics. From a realist perspective, regional geopolitics may be conceived as how particular states within a specific region appropriate material objects to derive foreign policy strategies. These states may include extra-regional ones with interests in the regions and sovereign states sharing territorial borders. According to Ferguson, Chinese infrastructure projects in Africa are connected to “national level political processes of access and rent extraction, as well as being transnationalized through diplomacy, financing and supply chains.” For shared infrastructure projects, sovereign states are required to provide the necessary social infrastructure, whereby the ruling elites offer necessary environment for the movement of international capital requiring access to land use and cooperation. Mohan and Tans-Mullins further note that “these political elites are not simply stooges of international capital but use their agency to strike bargains, which may well favor the Chinese but equally can be used to further domestic agendas.” For instance, Daniel Large demonstrates how Omar Bashir leveraged Chinese oil investments to project Sudan’s regional ambitions. In light of this literature on region, geopolitics, and African agency, this article considers how the BRI infrastructure projects influence inter-state relations in the East Africa region. As demonstrated below, there is now a growing body of literature that discusses the influence of the BRI in various parts of the world.

Chung evaluates the strategic and economic implications of the BRI for South Asia. The author postulates that South Asian states fear the growing influence of China in the Indian Ocean and how India would respond to it. Although each state has its own national interest, it is generally viewed that Bangladesh, Maldives, Pakistan, and Sri Lanka may use Chinese influence to counter India’s dominance. On the economic front, the BRI is likely to increase Chinese infrastructure investments and trade in the region. Casarini and Zhao examine the implication of the BRI for Europe and found that even though the initiative stands to offer significant economic opportunities, it is likely to create rifts within the EU due to China’s financial muscle. Some countries within the EU are likely to gravitate more toward China than others. Wang, Xuming, and Kamel focus on the implications of the BRI for the Middle East.
Wang and Xuming conclude that the initiative presents a platform for cooperation. Kamel, however, observes that the cooperation is likely to lead to some countries benefitting more than others.

In Africa, with regard to foreign investment, Huiping argues that countries should take advantage of the BRI by improving bilateral investment treaties (BITs). While focusing on the prospects of expanding the BRI to include more African countries, Ehizuelen and Abdi argue that although BRI promises to promote sustainable development, as to whether the initiative would have positive or negative impact would depend on “the design, approach, and execution modalities of the activities under the [BRI] for the continent.” Mukwaya and Mold specifically focus on East Africa by looking at the economic impact of the initiative to the region. Using the Global Trade Analysis Project (GTAP), they conclude that although the BRI is likely to increase the GDP growth in East Africa, larger countries like Ethiopia, Kenya, and Tanzania are likely to benefit more than smaller countries like Rwanda and Uganda.

Within the same region, Godfrey Okoth discusses five factors shaping inter-state relations that this article utilizes. First, Kenya-Uganda relations rests on economics, whereby as Uganda offers Kenya a ready market, for a very long time Uganda has always strived to reduce itself as an “economic backyard” of Kenya. Second, the relationship between Kenya and Uganda is defined by physical geography. The fact that Uganda is landlocked makes it depend on Kenya as a route to international trade for its exports and imports. Kenya has taken advantage of this fact and has threatened Uganda with economic blockage as witnessed in the 1970s at the height of their political differences. Third, Kenya has taken advantage of its strategic location to exploit Uganda’s “apparently weak strategic location.” Uganda is fully aware of this situation and has attempted to erode Kenya’s influence by interfering “with the flow of trade between Kenya and its traditional markets” when it deems fit. Fourth, is the ideological difference in the region. Kenya-Tanzania relations have been characterized by a mix of suspicion and cooperation that goes back to the colonial era. The suspicion exploded in the late 1960s with an increasing ideological rift between them. The same decade also saw leftist development in Uganda, Somalia, and Sudan, thereby convincing the Kenyan leadership that it was encircled by socialist-oriented neighbours. Given that Kenya and Tanzania have competed for regional dominance, any cordial relationship between Uganda and Tanzania has always displeased Kenya. Fifth, in its relations with other countries in the region, Uganda has always wanted to alter the status quo, while Kenya has always been defensive in matters affecting state relations in the region, because historically, Kenya has been the main winner of the unequal relations relative to Uganda and Tanzania. The analysis below draws on these factors to understand the influence of BRI infrastructure projects on inter-state relations in the East Africa region.

**Historical Context of Infrastructural Development in East Africa Prior to the BRI**

During the 19th century, western colonial powers invaded East Africa and played a role in establishing some of the transport infrastructure that still endures to date. The British constructed the railway lines connecting landlocked Uganda and coastal Kenya. The Germans developed a railway system linking the hinterlands within Tanzania to the seaport in Dar es...
Salaam. One of the economic objectives of colonialism was the extraction of natural resources which were then shipped to metropoles via seaports.\(^{47}\) This created incentives for building roads and railway lines connecting landlocked areas to the seaports. It is no wonder that in littoral states like Kenya and Tanzania road networks converge at the main seaports.\(^ {48}\) Therefore, the significance of the roads and railway lines in the littoral states must be seen through a dependency perspective whereby they play a key role for their neighboring landlocked states. For example, Kenya and Tanzania’s road and railway networks were important for the economic survival of their neighboring landlocked states like Uganda, Burundi, and Rwanda. Colonial authorities managing road, railway lines, and ports were later followed by the establishment of other shared infrastructure such as regional Customs Union (1907), Currency Board, Postal Union, Court of Appeal, Governors Conference, Income Tax Board, and Joint Economic Council (1905-1940), East African Airways (1946), and Common Services (1948-1961).\(^ {49}\)

In the post-independence era, the major infrastructural development in the region was the Chinese-built Tanzania-Zambia Railway (TAZARA) that would later form part of the Southern corridor. Linking Zambia to Tanzania’s coastline and covering 1860.5 kilometers, its construction began in 1970 and ended in 1976. TAZARA was put forward by President Kenneth Kaunda to reduce Zambian dependency on apartheid South Africa by having access to an alternative seaport. Later, an oil pipeline was constructed within the corridor to facilitate export to Zambia.\(^ {50}\) However, since the completion of the pipeline, the corridor did not attract significant regional investments. Thus, the Southern corridor related infrastructure projects increased Zambia’s economic dependency on Tanzania, boosting its economic fortune relative to other neighboring countries.

Efforts at regionalism saw the establishment of the first East African Community (EAC) (1967-1977) which collapsed due to ideological differences, uneven economic development, and political differences among member states. Kenya pursued a capitalist development model, Tanzania pursued socialist model, while Uganda first experimented with a socialist model that was later overtaken by authoritarianism. Kenya’s capitalist orientation was suspiciously viewed by Uganda and Tanzania as perpetuating neo-colonialism in the region.\(^ {51}\) The colonial infrastructure was comparatively developed in Kenya and this attracted more western investors than its neighboring countries. Because of the developed infrastructure, a majority of EAC administrative head offices were established in Kenya giving it leverage over Tanzania and Uganda. Political differences between Tanzania’s Nyerere and Uganda’s Idi Amin saw the two countries close their common border in mid-1970s, while Amin’s territorial claim over some parts of western Kenya brought him into direct confrontation with President Jomo Kenyatta. In 2001, Uganda, Tanzania, and Kenya revived the EAC. Regionalization processes led to expansion of the EAC with the admission of Burundi and Rwanda in 2007 and South Sudan in 2017.

Attempts to revamp inherited colonial infrastructure began with a meeting of the heads of states in 2004 which directed a design of a Railway Master Plan leading to a feasibility study in 2009.\(^ {52}\) Kenya spearheaded the development of the Standard Gauge Railway (SGR) envisioned to connect Uganda, Rwanda, Burundi, and South Sudan. In the same year, the Northern
Corridor was conceived as a regional infrastructure initiative at a summit of the International Conference on the Great Lakes Region (ICGLR) and adopted by the East African leaders in the Dar es Salaam Declaration. The summit aimed at transforming the infrastructure on the Northern Corridor into an economic development corridor. In June 2008, Kenya launched Vision 2030 enlisting the LAPSSET corridor connecting Kenya, South Sudan, and Ethiopia as one of the flagship projects. In the same year, the Kenya-led SGR was officially launched in Nairobi in a joint communiqué by President Mwai Kibaki and his Ugandan counterpart, Yoweri Museveni. The EAC also adopted the Regional Transport Strategy for the period 2010-2015 which identified differences in national policies and laws as barriers to joint action in the railway sector. A few months later the Presidents of Kenya, Rwanda, and Uganda held the first infrastructure summit in Uganda culminating in the desire to fast-track the development of the SGR system linking Rwanda and Uganda to the port of Mombasa to enhance connectivity in the East Africa economies. These developments led to the signing of the Tripartite Agreement for the development of the SGR joining Mombasa-Kampala-Kigali with connectivity to Kisumu in August 2013 that was dubbed “Coalition of the Willing.” After launching the BRI in September 2013, the LAPSSET corridor and the SGR were later incorporated into the Initiative.

The LAPSSET corridor is a regional infrastructure project aimed at providing transport and logistics among Kenya, Ethiopia, and South Sudan and is part of the planned connectivity pathway that will link East (Lamu Port) to West Africa (Doula). The corridor comprises two components: a five hundred meter-wide infrastructure corridor and an economic corridor. The former will host road, railway, pipeline, power transmission, and other related projects, while the latter, a fifty kilometer stretch on either side of the infrastructure corridor will host industrial investments. The corridor was endorsed as the Presidential Infrastructure Championship Initiative (PICI) project list during the African Union’s Heads of State and Government meeting in June 2015 in South Africa. The endorsement gave the project continental outlook and leadership approval, thereby strengthening investors’ confidence. It also projected the prioritization of the corridor in the government’s regional and continental infrastructure and investment plans. The corridor was also admitted as African Union Program for Infrastructure Development in Africa, paving the way for consideration of the project for financial support at the continental level. The admission also gives the project more exposure to foreign direct investment in the wake of oil discovery in the East African region. Estimated to cost between US$25 and $30 billion the Kenyan government has prioritized the construction of Lamu Port, Lamu-Witu-Garsen Road, Lamu-Lokichar crude oil pipeline, and security installations along the corridor as the foundational projects. In 2013, China Communication Construction Company (CCCC) won the tender estimated at US$480 million to construct the first three berths at Lamu Port. It is anticipated that once completed, the port will have greater handling capacity than Mombasa—the major port in Kenya. Although Uganda was not among the member states at the inception of the corridor in 2012, three years later it expressed interest in the project.
The discovery of oil in Uganda and the desire to export it via Kenya’s Indian Ocean route caused President Yoweri Museveni to push Uganda into the corridor, thereby showing a willingness to utilize Chinese-built projects. In August 2015, Kenya and Uganda signed a joint communiqué agreeing to establish the Hoima-Lokichar-Lamu crude oil pipeline proposed to
pass through Kenya’s northern region. At a glance the joined planned pipeline appeared a rational decision by the two countries for it would have allowed them to pool resources to connect newly discovered oil points and reduce construction costs. A feasibility study by Toyota Tsusho estimated that the route would incur a cost of approximately US$5.5 billion for 1400 kilometers of pipeline. It was also revealed that given that the oil in the two countries could blend easily, the joined pipeline would have been the first of its kind traversing two territorial borders in Africa. However, before the project could commence Uganda made some demands, key among them a security guarantee on the Kenyan side, a clear financing plan, and a lower transit fee compared to any alternative route. Regarding insecurity, the feasibility study identified endemic inter-ethnic conflict in the Turkana area coupled with the feeling of marginalization by successive regimes since independence as the main concern along Kenya-Uganda border. It also identified the Al-Shabaab militant group which had attacked parts of Nairobi, Lamu, and parts of the former Northern Eastern province as a major challenge to the project. From the Kenyan side, President Uhuru Kenyatta’s government argued that developing LAPSSET would contribute to reducing insecurity in the northern part of the country, noting that the infrastructure would open up the historically marginalized areas creating business and investment opportunities, and employment to many youths who would have otherwise been potential recruits for the militant group. However, some leaders of the marginalized communities observed that LAPSSET has attracted migration from “elite” communities with investment capital, thereby creating discontent in the area, and this was likely to create a new kind of conflict between those perceived as “outsiders” and the indigenous members.

In a bid to circumvent the above threats especially insecurity, an alternative route from Hoima to Mombasa via Nairobi emerged. Touted as likely to leverage on the existing pipeline from Eldoret to Mombasa, the Uganda Joint Technical Committee Team estimated that the cost of the planned route would range between US$4.4 and $4.6 billion, slightly lower than the northern route. However, domestic political interests in Kenya conspired with political transitions in neighboring Tanzania to cause Uganda to look for an alternative route in the Central corridor. After President John Magufuli ascended to power in late 2015, Tanzania increasingly forged good relations with Uganda, a move that precipitated Kampala’s policy adjustment. The Hoima-Tanga crude oil pipeline of 1443 kilometers passing through the western Lake Victoria region had an estimated cost of US$3.9 billion (Uganda Joint Technical Team)—much lower than Kenyan two options. Because of favorable physical geography, fewer security concerns, a straightforward land acquisition program, and already existing railway networks, it was expected to be completed faster. Compared to Lamu, there already exists a port at Tanga and plans were underway for its upgrading. Unlike Lamu and Mombasa that lack a natural buffer against high currents, Tanga is shielded from ocean currents by Pemba Island, thereby reducing risks to shipping. Further, Tanzania reviewed transit fees and invested eight percent in the refinery project, culminating in the commencement of work in January 2017 with 2020 as the completion year.
BRI Project II: Standard Gauge Railway (SGR)

The SGR conceived under the Northern Corridor was designed to connect Kenya, Uganda, Rwanda, and South Sudan. Its original plan aimed to “jointly develop and operate a modern, fast, reliable, efficient and high capacity railway transport system as a seamless single railway operating among the Parties.” Each participating state was obligated to acquire and develop the section of the SGR within its territory. Kenya and Uganda signed a bilateral agreement in May 2008 in Nairobi, and five years later it became a Tripartite Agreement with the entry of Rwanda. Kenya’s task was to develop the Mombasa-Malaba route in two phases: Mombasa-Nairobi and Nairobi-Malaba. These were divided into three different sub-phases: Nairobi to Naivasha; Naivasha to Kisumu (with a new port at Kisumu on Lake Victoria); and Kisumu to Malaba.

Phase One construction began in December 2014 at a cost of US$3.8 billion and was inaugurated on 31 May 2017 by President Uhuru Kenyatta. Covering 488 kilometers, it was constructed by China Road and Bridge Corporation (CRBC) and China’s Export-Import (EXIM) Bank funded 85 percent while the Kenyan government contributed the remaining portion. The expansion at the Port of Mombasa will increase traffic volume between five to ten million tons per year from the present less than one million tons per year. When completed, the rail links should spur intra-Africa trade and ultimately boost international trade opportunities within the region.

Whereas the development of Mombasa-Nairobi and Nairobi-Naivasha phases created the impression that the project was headed to its final destination, financial negotiations for the subsequent phases have influenced policy adjustments among participating states. The extension of the SGR past the Kenya-Uganda border at Malaba depends on progress on the Kenyan side. As phase one was underway, China presented the terms for financing Uganda’s side of the SGR. The East African reported that “China demand[ed] that Uganda secure guarantee from Kenya that it [was] still interested and will source financing for the Naivasha-Malaba section of the [SGR].” The Uganda government saw the move as China’s strategy to have a bigger stake in the financial arrangement that will see a Chinese firm operate it for ten years. Other sources indicated that China was more worried about Uganda’s capacity to repay the loan, demanding Uganda “prove that construction of the [SGR] makes business sense before [US] $2 billion loan is provided, and that once the project is completed it will generate enough money to repay the loan.”

The assurance by the Secretary to the Treasury Keith Muhakanizi that Uganda “had made progress and will soon get Kenya to provide the necessary assurance, so that Uganda can get the financing for the SGR” remains doubtful. Around the same time Kenya’s Cabinet Secretary of Transport James Macharia reported that Kenya may terminate the SGR at Kisumu after Rwanda exited the project. Again just as in the LAPSSET, around this time Tanzania had increasingly forged good relations with Rwanda resulting in policy adjustment. In 2016, Tanzania inked a deal with Exim Bank for US$7.6 billion credit to construct the SGR Central Corridor expected to link Tanzania with Burundi, Rwanda, and Uganda. Although Tanzania terminated the contract in favor of a Turkish firm because of the corruption allegation, Rwanda
nonetheless immediately announced that its SGR would pass through Tanzania instead of Kenya. Although it was reported that Rwanda cited the Tanzanian route as being cheaper and faster than the Uganda route, Uganda-Rwanda rivalry could have also played a role in the decision. Since early 2016, Uganda-Rwanda relations witnessed diplomatic disputes with each side accusing the other of sabotage leading Rwanda to re-orient its exports elsewhere.

Later in 2017, the prospect of the project reaching Uganda seemed to improve when SGR project coordinator Kasingye Kyamugambi observed that the Ugandan government had already applied for the loan and was waiting for Kenya to extend the railway lines to Malaba. In 2018, Presidents Kenyatta and Museveni met a Chinese delegation led by vice-premier Wang Yang and Exim Bank chairperson Li Ruogo in Nairobi to assess progress on the Kenyan side and discuss Uganda’s phase one. In August 2018, Kenya and China Communications Construction Company (CCCC) agreed on construction of the next phase, with a financial deal to be concluded during President Kenyatta’s visit to Beijing in September. However, it was reported that the Chinese side refused to accept Kenyan demands and demanded a new feasibility study covering Mombasa to Kisumu. In the absence of expected funds for the last phase of the SGR within Kenya, James Macharia reported that Kenya will upgrade the existing metre gauge railway from Naivasha to Malaba. Subsequently, in June 2019 Uganda announced that it would spend US$250 million in rehabilitating the old railway line connecting Kampala to Malaba on the Kenyan boarder, as opposed to pursuing the SGR option. These events have called into question this phase of the SGR within Kenya, with The East African reporting that “it is now uncertain whether Uganda’s joint plan with Kenya and Rwanda, conceived six years ago, to build a standard gauge railway (SGR) that connects East Africa’s landlocked nations to the Kenyan port of Mombasa, will come to fruition.” Ugandan Cabinet Minister of Works and Transport Monica Ntege remarked that “we have to wait until Kenya has got somewhere, so that as we do the SGR on the Ugandan side we arrive in Malaba at the same time.” With Kenya failing to secure Chinese funds for the extension of the SGR to Kisumu and Malaba, and Uganda sending mixed signal on SGR, the attainment of the original objective of the SGR plan remains to be seen.

Influence of LAPSSET and SGR on Intra-Regional Dynamics

Despite the regional agreements to implement the BRI infrastructure projects in East Africa, economic and political considerations have derailed the overall scheme, raising interests in analyzing short-term and potential long-term impacts on intra-regional dynamics. Uganda’s decision to reroute the Hoima-Lokichar oil pipeline to the Hoima-Tanga route is likely to alter the traditional relationship between Kenya and Uganda. The discovery of oil in Uganda and President Museveni’s desire to propel Uganda into taking a greater role in regional energy security is what has predisposed Uganda’s desire to remove itself from the “economic backyard” of Kenya.

The decision to opt for a Tanzanian route could also have been informed by the historical political relations between Kenya and Uganda. At the height of political instability in Uganda, Kenya threatened Uganda with economic blockage and during the 2008 post-election violence
in Kenya, Uganda suffered when a section of the railway was uprooted on the Kenyan side. Fully aware of its apparent weak strategic location, Uganda has always strived to play Kenya by interfering “with the flow of trade between Kenya and its traditional markets” when it deems fit.91 Therefore, Uganda’s decision to explore Tanzania’s route could be viewed as an attempt to undermine traditional economic structures of engagement between Uganda and Kenya. Kenya is the largest trading partner for Uganda in the region. In 2015, for instance, Uganda exported goods worth $427 million but imported goods worth $610 million from Kenya compared to Tanzanian exports to Uganda worth $79 million.92 Still, Kenya is the largest economy among the EAC countries with 47 percent of the total regional Gross Domestic Product.93 Traditionally, Uganda has relied on Kenyan refined petroleum products, and the large oil discovery set for the international oil market via Indian Ocean presented prospects for further deepening economic relations. Indeed, President Kenyatta acknowledged that

President Yoweri Museveni…and myself have announced that Kenya will embark on the construction of the Lamu-Lokichar pipeline while Uganda will build the other pipeline through its southern borders…however…

[they]…agree[d] to continue cooperating on petroleum issues since both countries are new in the industry.94

The planned joint crude oil pipeline would have added additional layer on Uganda’s dependence on Kenya. But it appeared the oil discovery could have provided Uganda with the impetus to search for alternative route. For Uganda, this was important for the country to maintain stability and continuity devoid of disruption witnessed during the 2008 post-election violence where Uganda’s economy was temporarily paralyzed. Therefore, the Hoima-Tanga crude oil pipeline is an attempt to reduce economic reliance on Kenya’s geography.

The economic slowdown in Uganda-Kenya relations will have a spill-over effect on Kenya’s economic interests in the region. In the short term, as the dominant economic power in the region, Uganda’s decision would deny Kenya the necessary revenue to sustain its economy and remain the regional economic powerhouse. In the long run, if the Tanzania route is completed, and it becomes the only route to international markets for Uganda’s oil, this could channel revenue for Tanzania’s economy, thereby elevating its economic influence in the region. Tanzania’s growing economic influence is likely to bring it into direct conflict with Kenya as the regional hegemon. Indeed, for a long time Kenya and Tanzania have competed for regional influence in East Africa; therefore the intimate relations between Uganda and Tanzania on a crude oil pipeline has both economic and military implications likely to alter the East Africa traditional balance of power in favor of Tanzania. If Tanzania’s route becomes established this may also give it some bargaining leverage against Uganda to renegotiate a pipeline fee on its own terms.

The rerouting of the Hoima-Lokichar oil pipeline to the Hoima-Tanga route would enhance the relationship between Tanzania and Uganda.95 According to Were, Kenya lost the deal because of the historical close relations between Tanzania and Uganda. President Julius Nyerere and Uganda’s Milton Obote shared a socialist vision in the 1960s, and towards the end of 1970s Nyerere sent soldiers to liberate Uganda from the authoritarian Idi Amin.96 Kenya’s courtship of
Uganda was perceived with similar suspicion in the 1970’s where Uganda and Tanzania viewed Kenya as the agent of capitalism interested in exploiting natural resources. Others have argued that Kenya was viewed as an “outsider opportunist that was gate-crushing a political family party.” It was also reported that the Uganda-Tanzania deal was catalyzed by a plan to develop gas pipeline in the central corridor linking Dar es Salaam Port via Tanga and Mwanza to Uganda, viewed as likely to strengthen the economic ties between the two countries.

Turning to the implementation of the SGR, the decision by Rwanda to reroute its railway to Tanzania has emboldened Rwanda-Tanzania relations, while at the same time heightening the rivalry between Kenya and Tanzania, and Rwanda and Uganda. Like Uganda, landlocked Rwanda’s relations with Tanzania and Kenya have mainly been influenced by physical geography and strategic location. Rwanda depends on Tanzania and Kenya as routes for international trade of its exports and imports. Rwanda is aware of its apparent weak strategic location and has strived to exploit this by having an alternative route. Thus, Rwanda’s decision to explore Tanzania’s route will strengthen economic structures of engagement between the two countries while undermining that of Kenya and Uganda. Rerouting the railway to the Tanzanian route increases Rwanda’s dependence on Tanzania, allowing Tanzania to extract revenues related to exportation and importation of goods that would have otherwise been exported through Kenya and Uganda.

Like Uganda, Rwanda’s weak strategic location is a source of agency to maneuver between Tanzania and Kenya whenever presented with options to choose between the two countries. As with the Ugandan case, Rwandese agency allows it to conduct a cost-benefit analysis that views the Tanzanian route as cheaper and faster than the Kenyan route. Its agency also allows Rwanda to be cautious in having an alternative route in case there is diplomatic row with Uganda. Rwanda exercised its agency in spite of the existence of a “Coalition of Willing” that would have presupposed cooperation among Kenya, Rwanda, and Uganda in the implementation of the SGR. The coalition was formed in response to Tanzania and Burundi’s reluctance regarding the idea of political federation which the duo viewed as largely fronted by Kenya. In the long term, the Rwanda-Tanzania relationship may also produce a similar effect on Kenya-Tanzania relations as in the case of the Uganda-Tanzania relationship. As Tanzania’s economy gains momentum, it is likely to translate into political influence that may bring direct conflict with Kenya. In the event Kenya terminates the SGR in Kisumu, it will imply that the Exim Bank would not finance the project on the Ugandan side, and this is likely to undermine economic structures of engagement between Kenya and Uganda. However, if Kenya extends the railway line to Malaba that will significantly enhance Kenya-Uganda cordial relations.

Taken together, the implementation of the BRI infrastructure projects in the region has resulted in cordial relations between Uganda and Tanzania on the one hand, and Rwanda and Tanzania on the other, producing gains and losses in Kenya-Tanzania relations in the short term, and likely to alter the traditional balance of power in the region in the future. While Kenya has lost Uganda in the LAPSSET Corridor and Rwanda in the SGR project, Tanzania has gained Uganda and Rwanda in the Central Corridor. The gains and losses are likely to heighten the established suspicion between Tanzania and Kenya, potentially bringing conflict between

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the two countries as they compete for regional influence. Furthermore, the inception of the BRI infrastructure projects has provided agency to landlocked countries relative to their neighbors with coastal ports. Through cost-benefit analysis, Uganda and Rwanda have carefully maneuvered between Kenya and Tanzania, thereby aligning their choices with respective national interests.

Conclusion

The findings of this article have implications for regionalism and African agency within China-Africa relations. The strategic decisions by Rwanda and Uganda that produce Tanzania as the winner in the short-term have implications for regional cooperation. Cautiously, Rwanda and Uganda are aware of the economic risks of over-relying on Tanzania as the main route for international trade of their exports and imports. Aware that Tanzania may take advantage of this to renegotiate with its clients under its own terms may provide incentive for cooperation with Kenya because Rwanda and Uganda would not want to undermine alternative routes to coastal ports. The other factor that could reduce competition and favor cooperation would be the desire to strike a balance between commitment toward regional integration and safeguarding national interests by EAC member states. When member states genuinely accept to share a strategic vision in the design of the infrastructure projects as offering seamless transport and communication networks, that is likely to promote regional integration, regional mobility, and connectivity of goods and services.

With regard to African agency, whereas the early literature on China-Africa relations asserted that African countries are powerless in their engagement with China, the implementation of LAPSET and the SGR shows that the presence of China in the region is indirectly providing agency to African landlocked countries to not only play littoral states against one another but also with China. As is the case in the East Africa region, Uganda and Rwanda have found it convenient to play Kenya and Tanzania as they engage directly with China, subsequently unwilling or putting up a lot of demands on Chinese-built infrastructure projects. These findings have implications for other regions where the BRI-related infrastructure projects are traversing many countries. The findings could inform policy practices in the Horn region where China has implemented a railway line connecting Ethiopia and Djibouti.

References


**Notes**

1 See, e.g. Kochore 2016; Blanchard and Flint 2017.


3 Hutzler 2015.

4 Page 2014.

5 Blanchard and Flint 2017.

6 For a review of these studies, see Tae-Woo et al. 2016.

7 Ferdinand 2016.
8 Wang 2014.
9 Mohan 2013.
11 Zhao 2016.
12 See, e.g. Alden 2007.
14 Hoeymissen 2011.
15 Ikome 2010.
16 Morgenthau 1954; Gulick 1955; Wight 1978.
17 Bull 2002.
18 Scholvin 2014, pp. 9-10.
19 Hettne 2006, p. 545.
21 Walsh 2019.
22 Mackinder 1887; Spykman 1938.
23 Scholvin 2014.
24 Mackinder 1904.
25 Spykman 1942, p. 41.
26 Kennedy 2004
27 Flint 2011.
28 Scholvin 2014, p. 3.
29 Mackinder 1904.
30 Hughes and Heley 2015.
34 Large 2009.
35 Chung 2018.
36 Casarini 2016; Zhao 2016.
38 Wang 2014; Xuming 2016.
39 Kamel 2018.
40 Huiping 2016.
41 Ehizuelen and Abdi 2018, p. 305.
42 Mukwaya and Mold 2018.
44 Okoth 2010, p. 72.
45 Nsubuga 1988, p. 3.
46 Other two factors discussed include the influence of the chaotic political environment and the role of the West. Political instability in Uganda has always complicated decision making in Kenya, while the fact that British has immense economic interests in Kenya, any dispute between Uganda and Kenya has potential for being internationalized. Okoth 2010, p. 173.
47 Were 2019.
48 Njoh 2012.
49 Were 2019. “Common Services” included transport, communication, research and education.
50 United Republic of Tanzania 2017.
51 Makinda 1983, p. 305.
52 CPSC, 2017; Verhaeghe and Mathieson 2017.
53 The Northern Corridor is currently the most important transport channel in East Africa, acting as a gateway to landlocked Burundi, DRC, Rwanda, and South Sudan. The principal Northern Corridor transport network starts in Mombasa. The other transport route serving the Great Lakes region, the Central Corridor, begins at Dar es Salaam.
55 East African Community Secretariat 2011.
56 LAPSET Corridor Development Authority 2016, p. 1.
57 LAPSET Corridor Development Authority 2016, p. 2.
58 LAPSET Corridor Development Authority 2016, p. 3.
59 LAPSET Corridor Development Authority 2016, p. 3.
60 Drazen 2013.
61 Walsh 2019, p. 15.
62 Biryaberema 2013.
63 Musisi 2015.
64 Watkins 2015, p. 5. For instance, in late 2013 the terror group attacked a shopping mall in Nairobi killing sixty-seven people. In June 2014, the group attacked Mpeketoni area near Lamu killing sixty people. In November and December 2014, Al-Shabaab attacked quarries in the former North Eastern part killing sixty-two people in total, and in April 2015, the group attacked a university in the northern region killing 150 people.
66 The Indian Ocean Newsletter 2014 and 2015.
67 Patey 2017, p. 17.
68 Browne 2015; Mwesigwa 2016.
69 Musisi and Muhuza 2016.
70 Africa Confidential 2016.
71 Bowker 2016.
72 Abdallah 2016.
74 Republic of Kenya 2018, p. 3.
75 Onjala 2017, p. 718.
76 Onjala 2017, p. 718.
77 Dicta 2016.
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80 Gerald 2016.
81 Johnston 2016.
82 Were 2019.
83 Ogwang and Vanclay 2017.
84 Olingo 2018.
85 Andeso 2018.
86 Gerald 2016.
87 The East African 2019.
88 The East African 2019.
89 Railway Gazette 2019.
90 Tandon 1974, p. 195.
91 Nsubuga 1988, p. 3.
92 Ligami 2019.
93 World Bank 2019. The share for the other countries is Tanzania-31 percent, Uganda-15 percent, Rwanda-5 percent, and Burundi-1.7 percent.
95 Katie 2016.
97 Musisi and Muhuza 2016.
98 Reuters 2018.
99 Walsh 2019.