

**THE IMPACT OF CHINESE INFLUENCE TOWARDS THE SOCIO-ECONOMIC  
DEVELOPMENTS OF AFRICAN STATES; CASE STUDY OF KENYA. (2003 - 2018)**

**BY**

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**R50/7802/2017**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE  
REQUIREMENT FOR THE AWARD OF A MASTERS OF ARTS DEGREE IN  
INTERNATIONAL STUDIES, UNIVERSITY OF NAIROBI.**

**November, 2019**

## **DECLARATION**

I declare that this proposal is an original work which has not been submitted or partially or wholly submitted for any academic purpose or degree application in any previous application.

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Signature.....

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This proposal has been done under my supervision and submitted for examination with my approval as the University supervisor.

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## **DEDICATION**

I wholeheartedly dedicated the study to my beloved parents, who despite having passed on, they have been my principal source of inspiration and strength whenever I was weary throughout this program. Secondly, I dedicate this research to Ivy Kimunya who actually gave me an idea of this research topic when I was wondering on which topic to research on. She has continually provided me with moral, emotional and spiritual support as well as her words of advice and encouragement during this period.

## **ACKNOWLEDGEMENT.**

I'm grateful to God for the guidance and protection, throughout my education and indeed the ability to finish this thesis. Secondly I express my heartfelt gratitude to Dr. Martin Ouma, Institute of Diplomacy and International studies of the University of Nairobi. Dr. Ouma has always been available for consistent consultation and questions regarding my research work and has always steered me and my fellow colleagues. I'm gratefully indebted to his guidance, advice and wisdom. God bless you.

## **ABSTRACT.**

In the recent years, China has risen to become the largest economy by some measures besides being the most populous country on earth and this has come with both threats and opportunities for African continent. This study dissects this topic on socio-economic impacts of Sino-Africa relations case study of Kenya since 2003 to 2018, in order to debunk myths surrounding the nexus. According to the objectives, the study will examine Chinese interests in Africa including resources and vast market for finished goods. Secondly, the study will examine the role and impact of Chinese towards Africa's socio-economic development such as infrastructural development, employment and scholarships opportunities as well as the negative ones such as promoting corruption. The study also explores the challenges experienced in Kenya-China socio-economic development strategy. Case study research technique was used in the study while interviews and questionnaires were the tools mainly employed to collect primary data. Study Findings concluded that the Chinese has got major interest in the economy, diplomacy, security, and politics in Africa, precisely Kenya, significantly influenced socio-economic development. Apart from that, it was also found that the role that China assumed especially in infrastructural development and as a lender helped in spurring economic growth and development in Kenya. However, there were some challenges that revolved around the implementation of the Sino-Kenya relations strategy, and these include killing of the local infant industries, importation of counterfeit goods, and unemployment. The conclusion was that there was notable impact of the influence of Chinese towards socio-economic development in Kenya and African region as a whole. However, regulatory policies should be put in place to curb the importation of counterfeit goods and protect the infant industries. Apart from that, it was also recommended that priority should be given to the locals in the allocation of the available employment opportunities within the economy, with the Chinese being awarded to technical areas whose experts are rare to find in Kenya.

## TABLE OF CONTENTS.

DECLARATION .....	i
DEDICATION .....	ii
ACKNOWLEDGEMENT.....	iii
ABSTRACT.....	iv
ABBREVIATIONS AND ACRONYMS .....	x
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION AND BACKGROUND TO THE STUDY .....</b>	<b>1</b>
1.0 Introduction .....	1
1.1 Background To The Study .....	1
1.2 The Problem Statement .....	4
1.3 Research Questions .....	5
1.4 Objectives Of The Study.....	5
1.4.1 Broad Objectives. ....	5
1.4.3 Specific Objectives.....	5
1.5 Literature Review .....	5
1.5.0 Introduction .....	5
1.5.1 Theoretical Literature Review: .....	6
1.5.2 The Empirical Literature review.....	8
1.5.3 Literature review gap.....	14
1.6 Hypothesis.....	14
1.7 Study justification .....	15
1.7.1 Policy justification.....	15

1.7.2 Academic justification.....	16
1.7.3 To the general public .....	16
1.8 Theoretical framework .....	17
1.8.1 Realist theory.....	17
1.8.2 Liberalist theory.....	18
1.8.3 Dependency theory.....	18
1.9 Research methodology.....	19
1.9.1 Research Design .....	19
1.9.2 Study Location.....	20
1.9.3 Target population.....	20
1.9.4 Sample for study.....	21
1.9.5 Sampling procedure.....	21
1.9.6 Sampling size.....	22
1.9.7 Sampling frame.....	22
1.9.8 Tools For Data Collection .....	23
1.9.9 Data Collection.....	23
1.9.10 Data Analysis & Presentation.....	23
1.10 Ethical Considerations.....	24
<b>CHAPTER TWO .....</b>	<b>25</b>
<b>CHINESE INTERESTS IN AFRICA.....</b>	<b>25</b>
2.0 Introduction.....	25
2.1 Demographic Characteristics of The Study Respondents.....	25
2.2 Economic interests.....	27
2.3 Political interests .....	29
2.4 Diplomatic Interests .....	30
2.5 Security interest.....	32

2.6 Summary of Chapter Findings .....	35
<b>CHAPTER THREE .....</b>	<b>36</b>
<b>SOCIO-ECONOMIC IMPACTS OF CHINESE POLICIES TOWARDS KENYA AND THE REST OF AFRICA.....</b>	<b>36</b>
3.0 Introduction .....	36
3.1 Loans, Aid and Debt Relief Impacts .....	36
3.2 Infrastructural Developments Impacts .....	37
3.2.1 Belt and road initiative- BRI .....	37
3.3 China’s Foreign Direct Investments (FDI) impacts in Kenya.....	39
3.4 Tourism and Air travel developments.....	40
3.5 Summary of Chapter Findings .....	41
<b>CHAPTER FOUR.....</b>	<b>42</b>
<b>CHALLENGES OF SINO-KENYA RELATIONS STRATEGY .....</b>	<b>42</b>
4.0 Introduction .....	42
4.1 Importation of Counterfeit goods from China.....	42
4.2 Killing infant industries in Kenya .....	43
4.3 Debt-trap diplomacy.....	44
4.4 Unemployment .....	45
4.5 The Summary of Chapter Findings .....	46
<b>CHAPTER FIVE .....</b>	<b>47</b>
<b>FINDINGS, CONCLUSION AND RECCOMMENDATIONS .....</b>	<b>47</b>



5.0. The Introduction.....	47
5.1 Summary of key findings .....	47
5.2 Conclusions .....	49
5.3 Recommendations .....	50
5.4 Area of Further Research .....	51
<b>REFERENCES.....</b>	<b>52</b>
<b>APPENDIXES.....</b>	<b>59</b>
APPENDIX 1 QUESTIONNAIRES:.....	59
APPENDIX 2 NACOSTI PERMIT .....	64

**List of Tables**

Table 1.1 Target population, sample size and sampling technique.....24

**List of figures**

Pie chart 1.1 Age of the research participants.....26

Graph 1.1 level of education of the respondents.....27

## **ABBREVIATIONS AND ACRONYMS**

AU	The African Union
BRI	Belt and Road Initiative
CNY	Chinese Yuan
EAC	East African Community
FDI	Foreign Direct Investment
FOCAC	Forum on China Africa Cooperation
GDP	Gross Domestic Product
ICC	International Criminal court
IMF	International Monetary Fund
KQ	Kenya Airways
PLAN	people's Liberation Army, Navy
PRC	The People's Republic of China
SGR	Standard Gauge Railway (Chinese funded railway in Kenya)
UN	The United Nations
UNEP	United Nations Environmental program

# CHAPTER ONE

## INTRODUCTION AND BACKGROUND TO THE STUDY

### 1.0 Introduction

This research is on the impacts of Chinese influence towards the socioeconomic development of African states case study of Kenya. Chapter one covers background of the study of Sino-Africa relations, the problem statement that forms the basis of the research, objectives along with research questions, the literature review, hypothesis, and study justification to the policy makers, academicians and to the general public. It also covers the theoretical framework which analyses various theories behind this research, besides the research design and methodologies, data analysis, data presentation along with ethical considerations.

### 1.1 Background To The Study

China-African relations refer to the ancient political, financial as well as sociocultural ties existing between China and the African states. Though scanty facts exist about the relations between Africa and china, there is historical evidence showing that there has been an amicable relation between China and African states, and whose origin dates back 500 years ago<sup>1</sup>. Moreover, there is sufficient evidence of early relations forged during the Cold War between China along with nations such as Tanzania. The current deepening relations that prevail between Africa and China can be linked to the shifts in the global competition along with changes on foreign policy in China. The principal anchor for the modern cordial relations between the

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<sup>1</sup>Kaplinsky, R., & Morris, M. (2009). Chinese FDI in Sub-Saharan Africa: engaging with large dragons. *The European Journal of Development Research*, 21(4), 551-569.

People's Republic of China - PRC and African continent traces its origin from the Bandung Conference of 1955, in which, the PRC initiated efforts to support African nations.<sup>2</sup>

Recently the relations between the two has gone a notch higher and has become the subject of attention and surrounded with much speculation. One of the policies that have been the anchor of China Africa cooperation is The Forum on China Africa Cooperation (FOCAC) of 2000.<sup>3</sup> Later in January 2006, China introduced its aspiration to boom cooperation in African states by issuing *China's African Policy*<sup>4</sup>. This envisioned stronger bond with Africa, increased trading activities, increased foreign aid along with a higher debt relief. Greater precisely, Chinese development aid in African nations is found to heavily focus on areas of infrastructural development, energy and environmental conservation. These projects are typically carried out by organizations from China in keeping with the "go out" approach driven by the China with an aim of boosting the internationalization of corporations from China.

Despite this milestone, Africa has consistently been portrayed in many literatures as the dormant and passive recipient, while China has turned out to be a dominant actor hence undermining the role of Africa in the Sino-Africa relations. However, African continent is rising with agency, and has turned out to be an active player internationally. Therefore, the research will investigate clearly the role china plays in Africa by clearly defining china's interest and subsequent impacts on African continent socio-economic development. Secondly, this research also aims at clearly define the role played by Africa acknowledging that there are many African players such as political elites, business moguls, scholars, and activists among others who actively curve Chinese

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<sup>2</sup> Bräutigam, D. (2003). Close encounters: Chinese business networks as industrial catalysts in Sub-Saharan Africa. *African Affairs*, 102(408), 447-467).

<sup>3</sup> Cisse, D. (2012). FOCAC: trade, investments and aid in China-Africa relations.

<sup>4</sup> Leaf Z.(2006) China's African Policy:Enhancing All Cooperation between China and Africa. *Xinhua journal*

opportunities in Africa and thereby directly shaping the socio-economic impacts exerted by the Chinese.

Besides African continent as a whole, China is also known to have some notable impacts in the East Africa region. The Chinese are spearheading various infrastructural projects in different sectors including transport, real estate and energy enhancing relations between the East African and China. Apart from the East African region, Kenya is also known to be the beneficiary of the Chinese government with the donor country having various projects completed and some underway. Among them is the Thika Superhighway which is a route that connects Nairobi and Thika town that was funded by china and the Kenyan government. Another mega project is the 14.1-billion-dollar SGR. The railway line runs from Mombasa through the capital city of Nairobi, and also connects Kenya and Uganda. This project is projected to increase the movement of commodities across the East African region.<sup>5</sup> The benefits of SGR are now evident in most parts of the region.<sup>6</sup> This study focused on Kenya, with the aim of determining the impact that the Chinese influence has on socio-economic development of this investment hub for East Africa Region, Kenya.

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<sup>5</sup> Wissenbach, U., & Wang, Y. (2017). African politics meets Chinese engineers: The Chinese-built Standard Gauge Railway Project in Kenya and East Africa. Washington, DC, 13.

<sup>6</sup>Foster, V& Chen, C. (2016). China's growing role as infrastructure financier for Africa. The World Bank.

## **1.2 The Problem Statement.**

The rapid economic growth by China within short duration of time has spurred debates in various platforms. At the same time, while China is clear on her foreign policy and on the African agenda, Africa lacks a clear single consolidated foreign policy guiding her engagements with China hence leaving her at the mercy of Chinese manipulation. Indeed, as China diversifies her policies and goals toward Africa, no deliberate effort has been put to examine its complex processes within which vital decisions regarding Africa are made. Clearly china pursues to gratify her national interests in Africa. Economically, Africa is China's source of raw materials besides providing China with perfect market to propagate her rapid industrial growth. Politically, in the multilateral boards such as the U.N. China wants support from Africa for "one China" rule.<sup>7</sup>

This has come at a high cost to Kenya as it has resulted to trade imbalance. Secondly, although China has managed to successfully quest Africa's need for financing through loans and grants, her economic approach and the idea of the resources subsidized loans may lead Africa to debt trap making her to handover her resource control to China. In addition, China's endless quest for resources like oil to sustain her huge industrial growth has in return hampered Africa's efforts to enhance a sustainable developmental future. Therefore, even though there may be what seems to be a mutual and beneficial collaboration in the Sino-Africa relations, there has been much growing concern that in practical essence China's commitment in Africa is one way concentrating only on China's economic interests. Hence, the need for an empirical and in-depth scrutiny on the actual socio-economic effects of the relationship the two that comes with opportunities for African developing economy.

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<sup>7</sup> Taylor, I. (2009). China's new role in Africa. Boulder, CO: Lynne Rienner Publishers.

### **1.3 Research Questions**

1. What are the Chinese interests in Africa plus their influence towards Africa's socio-economic development?
2. What are the socio-economic impacts of Chinese policies towards Kenya and the rest of Africa?
3. What are the challenges experienced in China-Kenya socio-economic development strategy?

### **1.4 Objectives Of The Study.**

#### **1.4.1 Broad Objectives.**

1. To explore the impact of Chinese influence towards the socio-economic developments of African states

#### **1.4.3 Specific Objectives**

1. To explore Chinese Interests in African continent and their influence towards African continent socio-economic development.
2. To analyze the socio-economic impacts of Chinese policies towards Kenya and the rest of Africa?
3. To examine the challenges experienced in China-Kenya socio-economic development strategy.

### **1.5 Literature Review**

#### **1.5.0 Introduction**

This part reviews relevant existing literatures that will support the study. This will comprise of theories that will be used in explaining the findings of the study, along with the relevant empirical literature. There have been several studies discussing Sino-Africa relations and



specifically the position of China in the African continent, the diverse socio-economic impacts, the magnitude of China's involvement in Africa plus how it evolved overtime. This study employs both theoretical and empirical literature review. Theoretical review uses two theories namely realism and liberal school of thoughts and examines key debates by other scholars surrounding this topic. On the other hand, the empirical literature reviews this topic as per the objectives; the interests of the Chinese in Africa, her socio-economic impacts in Africa and the lastly the Challenges surrounding this interaction strategy and helps to identify the literature review gaps.

### **1.5.1 Theoretical Literature Review:**

#### **1.5.1.1 Realism**

There has been plenty scholarly articles concerning China's obligation in the African continent but many scholars dispute on the theoretical approach china uses towards Africa. Realist scholars contend that china's engagement with African continent neither inspired by benevolence nor by evil conspiracy but purely by self-interest.<sup>8</sup> Realism according to Hans Morgenthau defines states as the main actors of international system whose main aim is pursuit national interests and military power to gain as and maintain advantage over others in the balance of power. China's activities have not fallen far from realist approach. Recently, China has had military expansion with the first overseas military camp in Djibouti. The location is very strategic as it is located just adjacent to the port of Doraleh that is owned by major Chinese companies. This adheres to the realist interpretations of China-Africa relations of expanding military capabilities and dominates the international system of Africa and obtains hegemony.

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<sup>8</sup> Shich, B. W., & Yin, J. (2013). The core national interest and a harmonious world in Chinese foreign policy. Chinese Journal of International Politics, 6(1), 59-84.

In addition, realism school can be used to explain the model used by the Chinese in some African nations like DRC and Angola, the model of resource backed loans and financial assistance to fund infrastructure.<sup>9</sup> China is Angola's biggest donor having funded her with more than \$21 billion in credit by the end of 2017 that was secured with oil deliveries meant for war reconstruction. On the other hand Angola is a critical supplier of oil to China and remains amongst the largest oil producers in African.<sup>10</sup> China was definitely looking for oil resources necessary to fuel her industrial consumption in which case china was very clear in this pursuit. Similarly the Republic of China has also dominated Sudan's oil exploration which is among th largest oil reserve in Africa in a bid to secure her loan meant to develop infrastructural projects.<sup>11</sup> Therefore according to realist scholars China role in Africa raises questions whether china can be considered as another emerging hegemon that is actually exploiting Africa just as the western states have done in the past in a bid to promote her national interests.<sup>12</sup>

### **1.5.1.2 Liberalism**

As opposed to realists, liberal scholars base their argument on liberalism as advanced by English philosopher John Locke. They base the Sino-Africa interpretation on the assumption that the nature of human is good and that conflict is an aspect that can be prevaricated through well planned China African cooperation. Statistics have shown that trade involvements by China to the world accounts for nearly half of its GDP proving a tangled economic interaction between the economy of the nation and the rest of the world economies.<sup>13</sup> Similarly, Chinese foreign Direct Investment- FDI flow to African nations fluctuated over the past two decades. From the

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<sup>9</sup> Bräutigam, D., & Gallagher, K. P. (2014). Bartering Globalization: China's Commodity - backed Finance in Africa and Latin America. *Global Policy*, 5(3), 346-352.

<sup>10</sup> Schoeman, M. (2007). China in Africa: The rise of hegemony?.

<sup>11</sup> Goodman, P. S. (2004). China invests heavily in Sudan's oil industry. *Washington Post*, 23(04), A01.

<sup>12</sup> Schoeman, M. (2007). China in Africa: The rise of hegemony?.

<sup>13</sup> Chan, G. (2012). China's response to the global financial crisis and its regional leadership in East Asia. *Asia Europe Journal*, 9(2-4), 197-209.

year 2009 and the following five years Chinese financing in Africa rose drastically to close to 30%.<sup>14</sup> Chinese FDI has diversified both in location and sectors. Mining and construction accounts for the largest portion 54% the FDI, it has also been directed to other non-resource sector such as financial sectors spurring economic growth hence the Foreign Direct Investments has had a significant impacts on the living standards of African citizens.

In the spirit of cooperation, liberalism is supported by strategies such as the Forum on China Africa cooperation of 2000, and the 2006 *China African Policy paper*. Both cooperation strategies that aims at strengthening China-Africa political and economic relations, to provide guidelines for the relations and boom cooperation with African states.<sup>15</sup> Liberal scholars agree that since the Chinese presence in Africa, African trade has by far improved in almost all sectors. In the recent years, Africa has turned out to be much more reliant on China for trade and has seen a rapid growth of the total value of imports and exports as her exports going to China growing dramatically from approximately 2% of exports in the year 1998 to over 25% of exports in the year 2015.<sup>16</sup> Africa's importation from China has significantly increased over this same period. According to liberal scholars China's presence in Africa has mutual cooperation with mutual benefit leading to absolute gains for all.

## **1.5.2 The Empirical Literature review**

### **1.5.2.1 Interests of China in African continent.**

From 1990 China effectively maximized on utilization of both domestic resources, along with international markets and coupled with its "Going Out" strategy introduced in the year 1996 by

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<sup>14</sup>Benard, M. F. (2011). China in Africa China's FDI in Africa.: An Emerging Partnership for Development, 25.

<sup>15</sup>Naidu, S. (2007). The Forum on China-Africa Cooperation (FOCAC) What Does the Future Hold?. *China Report*, 43(3), 283-296.

<sup>16</sup>Blancher, M. N. R., & Rumbaugh, M. T. (2004). *China: international trade and WTO accession* (No. 4-36). International Monetary Fund.

President Jiang Zemin and its endorsement as a national strategy in 2000 has proved to be most effective. Africa fits the perfect description as has resources that China need to satisfy its quest and support its domestic economic growth. Secondly, oil and gas exploration companies from China are venturing into Africa's oil producing nations like Sudan and Angola among others.<sup>17</sup> In the present day, oil companies from China are operating in at least 20 African nations posing a strategic threat to the established companies that for quite a number of years enjoyed dominance in energy sector.<sup>18</sup>

Market is another key interest by the Chinese industry. African nations give access and supply their raw materials to China and this includes crude oil, diamond, iron, coal, ore, cotton among other primary goods, while the latter gets manufactured commodities from China.<sup>19</sup> More than 40 African countries have trade agreements with China and Chinese manufacturing companies are engaging in various markets. China's main exports to Africa are mainly electronics, textile and apparel. In other African countries like Zimbabwe China has obtained deals of supplying million dollars military equipment. Africa is an ideal market for Chinese products because they do not impose special political and trade restrictions upon her goods but instead gives diplomatic backing.<sup>20</sup>

China's oldest interest in Africa was political interest that still remains but coupled with other emerging interests. Her political relationship with Africa dates back to cold war system by two superpowers where China identified Africa independent nations as important allies to collaborate with. China found a neutral ground to unite with African nations due to their shared history of colonization by the capitalist and the imperialist. Therefore, Africa has been very important to

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<sup>17</sup> Zhao, H. (2010). PRC Oil Venture in Africa. *East Asia*, 24(4), 399-415.

<sup>18</sup> Kragelund, A. B. P. (2009). 6 State-driven Chinese investments in Zambia: Combining strategic interests and

<sup>19</sup> Taylor, I. (2009). *China's new role in Africa*. Boulder, CO: Lynne Rienner Publishers.

<sup>20</sup> Daniel ,C.W.(2010). China's econo & penetration in Africa., 49(6), 706-730.

<sup>20</sup> Shinn, D. H., & Eisenman, J. (2012). *China and Africa: A century of engagement*. University of Pennsylvania

China historically in terms of establishing diplomatic ties and on the other hand strengthens the political legitimacy of her communist party regime. In the 60s when the communist party was ruling with an iron fist, China met a lot of resistance from the US hence its Africa's independent states support significantly reduced the pressure that had been brought by international sanctions.<sup>21</sup>

On matters Diplomacy, China greatly depended on Africa states for diplomatic support in the international and multilateral forums. The 54 African countries total to about a quarter of the UN and China bet on African votes for their support her political agendas.<sup>22</sup> In 1972, China depended on Africa's votes to regain its seat at the UN, and actually 26 African states voted massively for China which represented a third of the total number of votes cast.<sup>23</sup> Another controversial Tibet issue came up just before 2008 Beijing Olympics that put China in the limelight. China also relied heavily on African states for their support at the UNHRC.<sup>24</sup>

China again relied on African support was after the Tiananmen Square Massacre of 1989 where army troops massacred several hundred demonstrators' students who tried to block the military's advancement to the Tiananmen Square. China faced serious sanctions from the international community. African nations; Zambia, Angola, Mozambique, Botswana, Zimbabwe and Lesotho rescued China by welcoming Qian- Foreign Minister for an official visit. In the spirit of reciprocity for this political favor, China has since made it a tradition to choose African countries as the first destinations of their first overseas visits at the beginning of every New Year.<sup>25</sup>

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<sup>22</sup> Alden, C., & Alves, C. (2008). History in the construction of China's Africa policy., 35(115), 43-58.

<sup>23</sup> Brautigam, D. (2011). The dragon's gift: the real story of China in Africa. OUP Oxford.

<sup>24</sup> Deng, Y. (2008). China's struggle for status:realignment of international relations. Cambridge University Press.

<sup>25</sup> Olimat, M. S. (2014). China and Africa Since World War II: A Bilateral Approach. Lexington Books.

### **1.5.2.2 Chinese Impacts towards Kenya and Other African states socio-economic development.**

China has had major socio-economic impacts towards Kenya and other African states development. There is a significant growth of African economies that can directly be linked to the Chinese presence in the continent. In fact, China outweighed US as the largest business partner in 2009.<sup>26</sup> In the past decade, China became the largest Africa business partner both finding growing investment opportunities, along with lending in Africa, an evidence of deepening economic ties between the two partners. Chinese have built trade networks, road networks, waterways, airports, ports, telecommunication, and mining. China impact of economic growth has created a microeconomics and macroeconomic developments and in general the GDP growth of these African states.<sup>27</sup>

Secondly, the impacts due to trainings and scholarships offered to African students by China as a result of Sino-Africa cooperation cannot be overlooked. By 2003 around 2000 African international students went to china for further studies but by 2019, more than 60,000 students have gone to china for further studies in fields engineering, medicine, communication, language, culture and economics.<sup>28</sup> On the other hand, China has sent many of their doctors to treat Kenyans. Chinese President Xi while in Johannesburg FOCAC summit in 2015 announced at least 10 major plans to boost Sino-Africa relations. In total, China's plan was to provide at least US\$60 billion in funding support.<sup>29</sup> In 2016 chinse companies invested in close to 70 projects

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<sup>26</sup> Morrison, W. M. (2009, December). China's economic conditions. LIBRARY OF CONGRESS WASHINGTON DC

<sup>27</sup>Zafar, A. (2007). The growing relationship between China and Sub-Saharan Africa: Macroeconomic, trade, investment, and aid links. *The World Bank Research Observer*, 22(1), 103-130.

<sup>28</sup> Sy, J. H. (2003). Partnership in higher education in Africa: Communications implications beyond the 2000s. *African and Asian studies*, 2(4), 577-610.

<sup>29</sup> Eom, J. & Benabdallah, L. (2018). *The Path Ahead: The 7th Forum on China-Africa Cooperation*.

worth \$38.5 Billion in Africa, an increase of 106% from the previous year.<sup>30</sup> China's initiative of infrastructural developments including roads, bridges, real estates, railways, dams among others and their successful implementation means high rate employment, improved standards of life for and increased social stability for African citizens.

China-Africa cultural impacts have been undersized compared to the issues economics, politics, aid, and exploitation of natural resources. This notwithstanding, cultural exchanges has been of great significance in China-African relations.<sup>31</sup> Chinese Cultural exchange and awareness has been largely promoted through the Confucius Institutes. China considers culture as a key interest and carefully elaborates Chinese cultural policy through the Confucius Institutes. However the contrary cannot be said. After the first African Confucius Institute was launched at University of Nairobi by the PRC president Mr. Hu Jintao, in 2005, many more institutes have been established in many other different African countries.<sup>32</sup>

Although African continent has been the recipient of china financial assistance, investment inflows as well as aid and donation, this has come at a cost. The Chinese strategy has focused on economic development and through the nonintervention policy China has been able to downplay governance issue, democracy, as well environmental degradation among others. Furthermore, China has openly declared its support to rogue African leaders such as in Zimbabwe in addition to gross violation of human rights.<sup>33</sup>

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<sup>30</sup> Buzan, B. (2010). China in international society: Is 'peaceful rise' possible?. *Chinese Journal of International Politics*, 3(1), 36.

<sup>31</sup> Phan, S. (2013). A Comparing the EU's and China's Development Policies for Africa. *Journal of European Studies*, 29(1).

<sup>32</sup> Wheeler, A. (2014). Cultural diplomacy, language planning, and the case of the University of Nairobi Confucius Institute. *Journal of Asian and African studies*, 49(1), 49-63.

<sup>33</sup> Trofimov, Y. (2007). In Africa, China's expansion begins to stir resentment. *Wall Street Journal*, 2.

### 1.5.2.3 Challenges experienced by Kenya-China socio-economic development strategy

Kenya-china relationship has seen quite an achievement and successes but has also met a dozens of challenges. There has been an unfavorable perception of china due to the fears of dumping of cheap goods, fear of fostering corruption in Kenya, as well as joblessness.<sup>34</sup> China's grants and loans have financed many Kenyan infrastructural projects including the Nairobi to Mombasa SGR, geothermal projects, stadiums, dams among other mega projects. However Chinese companies and contractors do this within their own standards and import most of the materials and manpower.<sup>35</sup> By doing so, Kenyans loose vital job opportunities and on the other hand stand to gain absolutely nothing not even the slightest skill and technology transfer.

In the recent years, China has risen as the largest donor in African countries. However, it has been surrounded with controversy over the explosion of these Chinese funds and the procedure and practices followed. This is because China has been criticized to use the development funds to create alliance with the leaders in Kenya and secure undue commercial advantages for her domestic firm over the foreign and local companies when securing big projects, contracts and tenders as well as gaining access and exploiting the local natural resources.<sup>36</sup>

Chinese work ethics has brought a lot of resistance by Kenyan workers in several areas of investments. This is due to their disregard to safety concerns for the Kenyan local workers, overworking the workers, low wages, and inability to duly comply with the labor laws and

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<sup>34</sup> Björnsdotter, A. (2018). African perceptions of China-Africa links: A quantitative content analysis of East African newspapers.

<sup>35</sup> Chossudovsky, M. (1988). World Unemployment and China's Labour Reserves. In *Labour and Unions in Asia and Africa*(pp. 32-48). Palgrave Macmillan, London.

<sup>36</sup> Møller, K. (2012). The role Kenya's civil society can play in ensuring mutually beneficial Sino-Kenya engagement. *POLIS Journal*, 7, 242-282.



practices, taxes evasions as well as their inability to nurture African workers.<sup>37</sup> Chinese investors have also faced resistance due to their dictatorship management style towards the workers as together with their disregard to Kenyan culture, violation of human rights, and issues of pollutions and environmental degradations. The Chinese have also received resistance from local small scale traders as well as small business owners due to the fact that they have been severely affected by the Chinese imports as a result of the imports being cheaper and readily available in the streets by the Chinese themselves.<sup>38</sup>

### **1.5.3 Literature review gap**

From the above review, studies that have been reviewed have identified negative impacts and positive impacts. However, China's role in socio-economic performance of Africa is still not adequately addressed by other scholars. Secondly, China's interest in Kenya and its influence towards her socio-economic development has also not been clearly articulated by the researchers. Similarly, the challenges experience by Kenya socio-economic strategy is yet to be addressed properly.

### **1.6 Hypothesis**

This study must test the following hypothesis.

H<sub>1</sub>: China's interests have had a great influence on socio-economic development in Africa.

H<sub>0</sub>: There is no significant effect of the Chinese influence on Kenya's socio-economic development.

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<sup>37</sup> Kamoche, K., & Siebers, L. Q. (2015). Chinese management practices in Kenya: toward a post-colonial critique. *The International Journal of Human Resource Management*, 26(21), 2718-2743.

<sup>38</sup> Rotberg, R. I. (Ed.). (2009). *China into Africa: Trade, aid, and influence*. Brookings Institution Press.

## 1.7 Study justification

### 1.7.1 Policy justification

The past few years has seen China emerged as the critical source of FDI as well as the largest source of foreign aid in African. In fact, Chinese investments in Africa have grown steadily, making China the largest source of capital and jobs by 2016.<sup>39</sup> However, China's foreign policies toward Africa are not yet understood while as its impact in socio-economic development is quite contentious. By cross examining the Sino Africa bilateral relations and investment it is obvious that while the Chinese capital flows have increased rapidly in Africa over the few decades, unfortunately their relationships is not on equal basis.<sup>40</sup> China does not have a consistent strategy of incorporating aid in Africa and is not clearly understood the model by which they randomly pick African partners as well as the Chinese investment model.

For this reason, China's foreign aid approach has earned criticism that it is purely on selfish motives that put her own national interest neglecting Africa's needs of socio-economic development. Although this may be exaggerated or even baseless claims or speculations that may not be justified due to lack of enough evidence, hence the issue needs to be examined clearly. Therefore, the implications are that the two partners must come up with sound policies, reform the existing agreements as well as clear strategies for the rule of engagements and cooperation. With clear policies in place, it will enable policy makers from both China and Africa to make clear decisions and guide their investors on what key and priority areas to invest in.

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<sup>39</sup> (Tang, S., Selvanathan, E. A., & Selvanathan, S. (2008). Foreign direct investment, domestic investment and economic growth in China: A time series analysis. *World Economy*, 31(10), 1292-1309.

<sup>40</sup> Bi, M. X. (2010). China-Africa Economic and Trade Cooperation. *Xinhuanet International Edition*, 2010-12.

### **1.7.2 Academic justification**

The recent Sino-Africa relation has caused a heated debate drawing attention amidst mixed reactions as the academicians hold divergent opinion concerning this topic. Some scholars argue that China is exploiting African natural resources without benefiting it hence undermining Africa's potential to industrialize and threatening the future capacity and sustainability of African development. Thus China has been viewed as a key contributor to underdevelopment in the region. However, some argue that the future of Africa's development is with China.<sup>41</sup>

Therefore, there is not one solid settled agreement by the scholars and researchers to whether China's growing Africa's presence is harmful or beneficial. Although the Sino-Africa relations have been widely covered in the media and involving much speculations, empirically the area has been under researched and lack enough literature review. Therefore, there is need for scholars and researchers to pay more attention into this engagement, with more focus to socio-economic along with political agendas and policies to add into the limited literature review as well as form basis for further related researches.

### **1.7.3 To the general public**

As public interest in Sino-Africa relations continues to grow rapidly, the nature and the magnitude of the relation changes drastically and this has sparked a lot of debate to the general public.<sup>42</sup> The most important question to ask in justification to the general public arise as to whether the growing Chinese presence in Africa and its influence is beneficial to everyone involved or is it one way. China has on the other hand defended her position and insisted that its interactions with Africa are "mutually beneficial". This is on the basis that china claims to

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<sup>41</sup> (Zhu, Z. (2016). *China's new diplomacy: Rationale, strategies and significance*. Routledge).

<sup>42</sup> (Gu, J., Zhang, C., Vaz, A., & Mukwereza, L. (2016). Chinese state capitalism? Rethinking the role of the state and business in Chinese development cooperation in Africa. *World Development*, 81, 24-34).

support Africa with no strings attached and by use of noninterference policy unlike previous ties with the west that are accused of forceful seizure and exploitation of resources<sup>43</sup>. The research will focus on justifying china's claims that the bilateral trade in the two regions has led to mutual benefits.

## **1.8 Theoretical framework**

Sino-Africa relationship, which is the main theme of this research, can be analyzed using various theories and this includes realist theory, liberal theory, and dependency theory. These theories can be outlined as follows.

### **1.8.1 Realist theory**

Realist scholars interpret Sino-Africa relations from several dimensions. According to Kenneth Waltz and Hans J. Morgenthau the nature of human is selfish, the international system is anarchic and there is absence of a governing authority in the international system. This leaves the sovereign states who are the central actors of world politics competing to take advantage by any possible means in order to pursuing national interests and achieve relative gains. With failure to cooperate, states survival then depends on their struggle for power and competing for security which can ultimate result to conflicts.

The increased Chines presence in Africa and her actions in Africa do not fall further from realist interpretations. The first Chinese overseas military base was constructed in Djibouti. Apparently its location being very strategic as it is located just adjacent to the port of Doraleh that is owned

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<sup>43</sup> (Halper, S. (2010). *The Beijing consensus: how China's authoritarian model will dominate the twenty- first century*. ReadHowYouWant. Com).

by major Chinese company.<sup>44</sup> This adheres to the realist interpretations of China-Africa relations of expanding military capabilities and dominates the international system of Africa and obtains hegemony.

### **1.8.2 Liberalist theory**

Liberalist scholars' argument revolves around three major anchors: one is rejection of power, International collaboration and participation of non-state actors. Liberals argue that international institutions contribute to cooperation among states while cultural and economic exchanges contribute to reduce conflict.

China's trade with the world account for 50% of its GDP.<sup>45</sup> This nation is an active member of international, regional as well as African trade cooperation such as FOCAC that focused on implementing China-Africa "Ten Cooperation Plans". Therefore China's continued involvement in Africa with various Economic and Trade partnerships can fully be supported by Liberalist interpretation.

### **1.8.3 Dependency theory**

Dependency theory fairly supports the Sino-Africa relations. Dependency is an economics system theory which focuses on explaining the reason as to why rich nations get richer and vice versa. Dos Santos defines dependency as a global economic structure shaped by the historical nature in a manner that favors some nations at the expense of others.<sup>46</sup> Dependency theory suits more in explaining underdevelopment in poor African countries with an annual economic growth

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<sup>44</sup>Wang, M. First Place—On the Shores of Bab-el-Mandeb: Assessing China's First Overseas Military Base in Djibouti and Chinese Grand Strategic Vision for the Horn of Africa and Indian Ocean.

<sup>45</sup>Brookes, P., & Shin, J. H. (2006). China's influence in Africa: Implications for the United States. Background, 1916, 1-9.

<sup>46</sup>Ray, D. (1973). The dependency model of Latin American underdevelopment. *Journal of World Affairs*, 15(1), 4-20.

of 3.7% while their biggest trade partner china has had an average yearly rate of growth of close to 10% in the past three decades<sup>47</sup>. Statistics shows that trade between the two thrived and recorded an increase of sixty billion USD between 2002 to 2007 and US\$215 billion in 2016<sup>48</sup> but the ratio of Africa's export to China export being highly uneven. China has constructed infrastructure in Africa like roads and railways and in return, China is accorded all the access to exploit resources like oil, gold and copper and cobalt among others compromising African infant industries and future sustainability and capacity to develop.

The dominant Marxist view of dependency theory is the presence of an overriding economic capitalist system in the world which draws the analogy from the labor division between rich and poor states. And gradually the rich nations exert dominance over impoverished states in the world economic system. For our case, China is regarded as the rich 'core' country, with Kenya being a poor 'peripheral' country. Given this fact, China usually exploits Kenya through division of labor in such a manner that it only allocates lowly paid jobs to Kenyan locals in the course of implementing its various projects. This makes Kenya to act like a slave to China.<sup>49</sup>

## **1.9 Research methodology.**

### **1.9.1 Research Design**

Research design refers to the framework of approaches selected by the researcher with an aim of combining various research elements in a rational and systematic manner so as to find a solution

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<sup>47</sup> Bosworth, B., & Collins, S. M. (2008). Accounting for growth: comparing China and India. *Journal of Economic Perspectives*, 22(1), 45-66.

<sup>48</sup> Kufuor, K. O. (2012). FRANCIS N. BOTCHWAY (ed.), *Natural Resource & Africa's Development*.: Edward Elgar, 2011, xii+ 529 pp

<sup>49</sup> Berg, E. (2000). Aid and failed reforms. *Foreign aid and development: lessons learnt and directions for the future*, 363-380.

to a research problem.<sup>50</sup> This research applied a case study research method because this enabled an up-close, in-depth, and detailed examination of a subject of study. Case study also enabled investigations to be carried out on every phenomenon of interest in this research within its real-life context. Therefore, case study approach enabled holistic investigation of the impacts of the Chinese towards social-economic development African states.

### **1.9.2 Study Location**

Study location refers to a geography for which data is analyzed in a report or study.<sup>51</sup> The study was conducted in Nairobi Kenya as Nairobi's geopolitical location is crucial to China's road and belt initiative as she provides a strategic entry into east Africa. Besides, Kenya is the East Africa economic giant, owns the largest port in East Africa and serves many international and regional headquarters such as UNEP making her attractive for Chinese investments hence ideal for this research topic due to data availability.

### **1.9.3 Target population**

This can be defined as the total number of persons from which the study samples might be drawn.<sup>52</sup> These are the target research population that the researcher focused on in getting the primary data. They include residents of Nairobi due to their exposure and knowledge to the contemporary topics, university students due to their in-depth knowledge, ministry of trade, industry, in order to capture for the official data, Chinese embassy officials as well as Confucius institute staffs who will provide relevant information.

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<sup>50</sup> Lavrakas, Paul J. 2008. Encyclopedia of survey research methods.

<sup>51</sup> Denzin, Norman K., and Yvonna S. Lincoln. 2017. The Sage handbook of qualitative research. [https://nls.ldls.org.uk/welcome.html?ark:/81055/vdc\\_100045173335.0x000001](https://nls.ldls.org.uk/welcome.html?ark:/81055/vdc_100045173335.0x000001).

<sup>52</sup> Daniel, Johnnie. 2012. Sampling essentials: practical guidelines for making sampling choices. Los Angeles: Sage.

### 1.9.4 Sample for study

The sample for study narrowed down to international relations students due to their in-depth insight in this international relations topic, Kenya national bureau of statistics officer in order to capture for the official data, Kenya investment Authority KIA staff for the official foreign investment data and Kenya-china chamber of commerce who will provide accurate information in assessing impacts of Sino-Africa relations.

### 1.9.5 Sampling procedure

Olive Mugenda and Abel Mugenda, propose that for a population of 10,000, the underlisted formula will apply.<sup>53</sup>

$$nf = n/(1+n/N)$$

Given:

$Nf$  = desired sample size when the population is less than 10,000.

$N$  = desired sample when the population is more than 10,000. (Which is 384)

$N$  = estimate of the population size.

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<sup>53</sup> Mugenda, Olive Mwhaki, and Abel Gitau Mugenda. 2003. Research methods quantitative & qualitative approaches.



### 1.9.6 Sampling size

Therefore, sample size:

$$nf = \frac{384}{1 + \frac{384}{1500}}$$

$$= \frac{384}{1 + 0.256}$$

$$= \frac{384}{1.256}$$

$$= 305.73 = 306$$

### 1.9.7 Sampling frame

**Table 1.1 Sample size, target population and sampling techniques.**

Target group	Population	Sample size	Sampling techniques
Ministry of industry, trade and cooperatives	750	150	Simple random
Chinese embassy: chamber of commerce	300	60	Purposive sampling
University of Nairobi academicians	200	50	Convenience sampling
Kenya National bureau of statistics	250	46	Purpose sampling
Total	1500	306	

**Source: Researcher, 2019.**

The formula used in selecting the staff from the ministry of industry, trade and cooperatives was Simple random sampling. Purposive sampling was appropriate towards Chinese embassy staffs and Kenya bureau of statistics staffs because it enabled to reach a targeted sample quickly such as the chamber of commerce staffs at the embassy. Convenience sampling was used towards the academicians because the subjects were selected on the basis of convenience.

### **1.9.8 Tools For Data Collection**

The researcher gathered Information from a variety of sources, these include questionnaires which were administered to participants from the embassy, the ministry because of industry trade and cooperatives, review of existing records and statistics from the Kenya National Bureau as well as focused group discussions for University of Nairobi Academicians, as they saw it fit to engage in debate over the subject matter under research.

### **1.9.9 Data Collection**

This study relied on primary source of data and secondary information sources in gathering and measuring information on targeted variables. Primary data was derived from structured and unstructured interviews, administration of structured and unstructured questionnaire, open and closed ended questionnaire. This was conducted on the public, Confucius institute center staffs, ministry of trade and foreign affairs, as well Chinese embassy in Kenya. Secondary data was obtained from books, journals, academic and research paper.

### **1.9.10 Data Analysis & Presentation.**

Appropriate methods of analyzing data were used in coming up with answers to research questions through. The SPSS analytical process was used. Results of data analysis was published or summarized in formal Statistics, while results from surveys were presented on graphs.

### **1.10 Ethical Considerations**

Various ethical codes were put into consideration in conducting this research as follows. First, Full consent was obtained from the participants and no one was coerced to take part in this study. Secondly, all participants had prior been informed of the aim of this research was academics to and that the data that was obtained was exclusively utilized for purposes stated for this research. This was in order for them to make their right judgment on whether to participate or not.

## CHAPTER TWO

### CHINESE INTERESTS IN AFRICA.

#### 2.0 Introduction

Chinese have got enormous multifaceted interests in Africa in almost all sectors since the foundation of the people republic of china. This part explores the respondents involved in this research study's demographic characteristics. It will also cover Chinese interest in Africa that is economic interests, political, diplomatic and security interest with the aim of determining how they impact on the Africa socio-economic developments and more precisely in Kenya.

#### 2.1 Demographic Characteristics of The Study Respondents

##### i. Age

The research took into consideration respondents of different ages from ages 18 years to 60 years as outlined in the pie chart 1.1, because people at different ages perceive international relations issues differently and on the other hand they are affected differently by these issues. However, most of the respondents fall between the age bracket of 18 and 31 years. This is because this age category was easily accessible and was believed to have credible and informative information regarding this research.

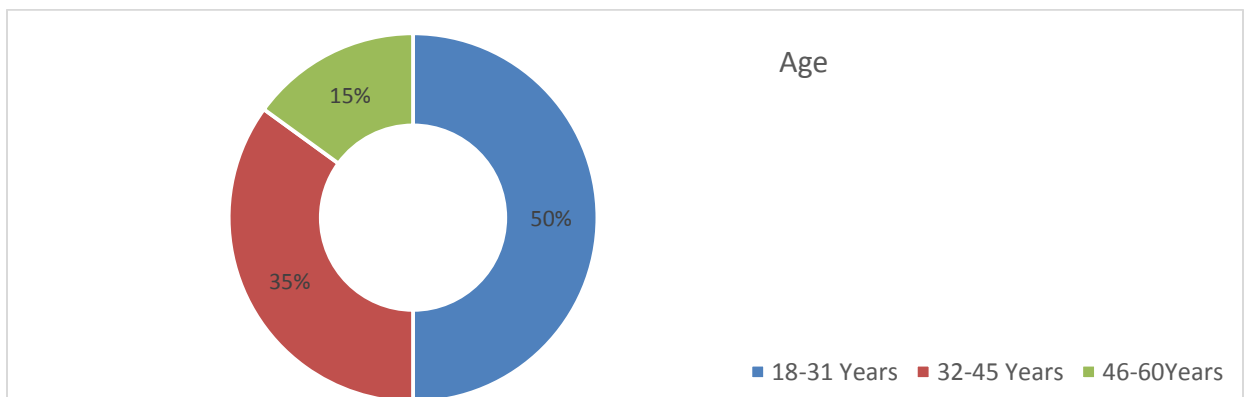


Figure 2.1 Age of the research participants

Source: Field Data, 2019

## ii. Gender

Apart from age, gender is also another point of consideration in the demographic characteristics of the respondents. This is because both men and women are affected differently by the issues arising from the Kenya-China relations in terms of both opportunities and challenges arising from this matter. The research focused on participants to be on equal basis i.e. Male 50% and Female 50%. The reason as to why there was a selection of equal number of male and female was so as to avoid bias.

## iii. Level of Education

The education level was an important factor because people at various levels of education coupled with different level of experience in Kenya-china relations issue have different inputs and is also affected differently by this issue. This study comprised people who hold various awards such as PhD, Masters, Bachelor's Degree, and Diploma. Most of the respondents to this study had master's degree. This is because they had sufficient knowledge about our topic of research and on the other hand they were easily accessible.

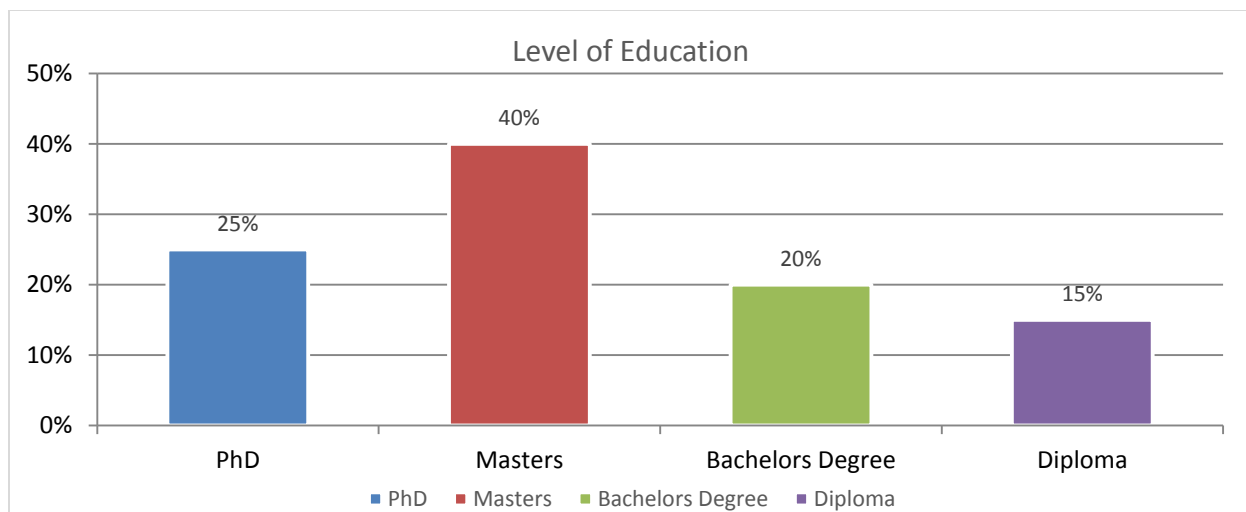


Figure 2.2 level of education of the respondents.

Source: Field Data 2019

## **2.2 Economic interests.**

The study findings as revealed by most respondents -75% indicated that successful execution of China's Going Out strategy enhanced Sino-Africa economic partnerships. These findings concur with Tull's findings whose assertion was that trade between China and Africa surpassed \$10 billion with a recorded growth of 30% per year. In the year 2012, Africa China trade amounted to \$198.5 billion, with 58% in imports and 42% in exports, recording a deficit of about \$30 billion.<sup>54</sup> In 2018, Sino-Africa trade growth rate was US\$204.19B and was recorded as the highest worldwide.<sup>55</sup>

### ***2.2.1 Natural resources***

Majority of the respondents, that is, 72% indicated that China relied more on Africa because of its resources to boost its growing industrialization. This is in agreement with the findings by Sautman and Hairong who indicated that the interest of China in Africa focused on resources though are more multidimensional. African continent also perfectly matches China's quest for resources because Africa has plenty of minerals together with natural resources needed to boost domestic industrial growth together with economic development in China. By 2000, China's domestic energy as well as resources were getting exhausted creating limited economic development hence China started acquiring a large foreign reserve.<sup>56</sup>

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<sup>54</sup> Sun, Y. (2014). Africa in China's foreign policy (pp. 26-27). Washington, DC: Brookings.

<sup>55</sup> Broadman, F. D. (2010). China turn to Africa: New focus in the developing world. Ministry of *Foreign affair journals*, 95-109.

<sup>56</sup> Schiere, R., Ndikumana, L., & Walkenhorst, P. (Eds.). (2011). China and Africa: an emerging partnership for development?. Tunis Belvédère: African Development Bank.

Chinese financing in the continent majorly focuses on natural resources exploitation. In fact, Mining investments by China account for around 30% of Chinese FDI flow to African nations. Using a strategy called “Angola Model,” China uses financing agreements that are resource-backed to strike deals with the recipient nations.<sup>57</sup> In most cases, the contracting nations are affected by low levels of credit ratings and not being creditworthy. While these nations find it hard obtaining funding from other financiers, China makes finances relatively available and at the same time acquirable.

### ***2.2.2 Market***

The study also observed that another key focus for China within African continent is the vast market. 55% of the respondents believed that China has got a great interest in Africa as the vast market for her cheap manufactured goods. Chinese manufacturing industries, due to their low labor cost, enjoy a special advantage in producing some industrial goods at a relatively cheaper price, which are in demand in developing African countries. After the international financial crisis of 2008 China’s export industries was greatly affected as her export market for her industrial products shrank due to stagnating western economies. China sort an alternative market in Africa in order to fill the gap of reduced export on industrial manufactured goods. The international financial crisis continued to worsen for most western economies due to the fact that Sino-Africa trade surpassed the U.S- Africa’s trade during that period.<sup>58</sup>

Since then, the gap between Sino-African trade and U.S.-African trade has been widening. For instance in the year 2012, Sino-Africa total trade was twice that of US-Africa trade which

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<sup>57</sup> Brautigam, D. (2010). China, Africa and the international aid architecture. African Development Bank Group Working Paper, (107).

<sup>58</sup> Brambila- Macias, J., & Massa, I. (2010). The global financial crisis and Sub- Saharan Africa: the effects of slowing private capital inflows on growth. African Development Review, 22(3), 366-377.

amounted to approximately \$100 billion.<sup>59</sup> China aims at improving her industrial performance hence moving the ladder in the international supply chain. Africa is the ideal for vast market, location for industries that are labor-intensive as well as source of natural resource for China. China's pursuance of the Going Out strategy as a way of embracing its economic interest to Africa, precisely in Kenya, has helped in creating employment opportunities, and this is as confirmed by a majority of the respondents to this study.

### **2.3 Political interests**

25% of respondents indicated that China had political interest in Africa. This finding is in disagreement with the findings by Campbell, who indicated that political interests are regarded as the anchor of China-Africa cordial relations since the PRC was establishment in 1949.<sup>60</sup> During Cold War, as China sort for Allies, the newly independent states of Africa became crucial for collaborating with. China found that they share some things in common with Africa as both were victims of colonization. Besides, China being a socialist saw African non-alignment movement as conducive for her political interests since Africa would resist the incursion by the colonialism. Following the principles, agreed at Bandung Conference which was China's first official encounter with Africa, Zhou Enlai engaged leaders from Ethiopia, Sudan, Ghana, and Libya and with priority accorded to Egypt as a result of its regional influence.<sup>61</sup>

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<sup>59</sup> Campbell, H. (2008). China in Africa: challenging US global hegemony. *Third World Quarterly*, 29(1), 89-105.

<sup>96</sup> Le Pere, G., & Shelton, G. (2007). *China and Africa: South-South co-operation in a global era*. Institute for Global Dialogue.

Sun, Y. (2014). *Africa in China's foreign policy* (pp. 26-27). Washington, DC: Brookings.

<sup>61</sup> <sup>61</sup> Strauss, J. C. (2009). The past in present: historical lineages in China's relations with Africa. *The China Quarterly*, 199, 777-795.



During Cultural Revolution, China offered huge foreign aid to the African nations.<sup>62</sup> This was used in funding Tanzania-Zambia Railway. Such aid strengthened Sino-Africa diplomatic relations as nineteen nations initiated their diplomatic ties with PRC.<sup>63</sup> Therefore, PRC's overreaching aim besides initiating diplomatic ties has been the strengthening of PRC's political legitimacy.

On political interest of China to Africa and how this has helped in spurring socio-economic development in Kenya, majority of the respondents believed that Kenya has been a beneficiary of the mercies of China, and this is based on the premise that both nations had undergone a similar process of gaining independence. With China having gained independence before most of African nations to include Kenya, it saw it fit to give it support, and this has subsequently led to social economic development of the benefitting nation.

## **2.4 Diplomatic Interests**

Most respondents, that is, 59% were of the opinion that China had major diplomatic interests in Africa. This agrees with the findings by Sun, who indicated that there is major reliance by China on African nations for diplomatic aid on vital issues internationally. In 1972 it depended on African countries for support at the U.N. for its political agenda. 26 states from Africa voted massively in favor of PRC to be allowed to resume its representation at the UN.<sup>64</sup> China also relied heavily on African states support at the UNHRC after the controversial issue of Tibet came in to the limelight just before the 2008 Beijing Olympics.<sup>65</sup>

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<sup>62</sup> Anshan, L. (2007). China and Africa: policy and challenges. *China security*, 3(3), 69-93.

<sup>63</sup> Brautigam, D. (2009). *The dragon's gift: the real story of China in Africa*. Oxford University Press.

<sup>64</sup> Alden, C., & Alves, C. (2008). History & identity in the construction of China's Africa policy. *Review of African political economy*, 35(115), 43-58.

<sup>65</sup> Suisheng, Z. (2010). Chinese foreign policy under Hu Jintao: The struggle between low-profile policy and diplomatic activism. *The Hague Journal of Diplomacy*, 5(4), 357-378.

The other instance where China relied on Africa was after the Tiananmen Square Massacre of 1989 where army troops massacred several hundred demonstrators' students who were blocking the military's advancement towards the Tiananmen Square. China faced tremendous international isolation.<sup>66</sup> Some African states came to rescue China as Zambia, Angola Mozambique, Botswana, Zimbabwe and Lesotho stepped up and rescued China by welcoming the then Chinese Foreign Minister for an official visit later the same year.<sup>67</sup> In addition, African heads of states were the first to establish the first official visit to China after the Tiananmen Square massacre. In reciprocity toward this political favor, China has since made it a tradition to choose African countries as the first destinations of their first overseas visits at the beginning of every New Year.<sup>68</sup>

Another key diplomatic aspiration for China in Africa is putting an end Taiwan's ties with Africa. It is crucial that Africa accept and recognize China as the only official and legal representative of PRC opposed to Taiwan. The tug-of-war between the two over diplomatic relations with African continent has lasted for more than sixty years since the founding of the PRC 1<sup>st</sup> October 1979. In the past, Taiwan had succeeded in establishing diplomatic ties with some African countries, such as Burkina Faso, The Gambia, Niger, and Chad among others. However, China has managed to win the diplomatic conflict, with substantial financial assets at its disposal and eventually phased off Taiwan from African continent. Currently, only Swaziland maintains diplomatic relations with Taipei in the whole of Africa.<sup>69</sup>

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<sup>66</sup> Tull, D. M. (2006). China's engagement in Africa: significance and consequences. *The Journal of Modern African Studies*, 44(3), 459-479.

<sup>67</sup> Taylor, I. (1998). China's foreign policy towards Africa. *The Journal of Modern African Studies*, 36(3), 443-460.

<sup>68</sup> Li, Z., Ma, L. J., & Xue, D. (2009). An African enclave in China. *Eurasian Geography and Economics*, 50(6), 699-719.

<sup>69</sup> Taylor, I. (2002). Taiwan's Foreign Policy and Africa: the limitations of dollar diplomacy. *Journal of Contemporary China*, 11(30), 125-140.

In order to effectively win its diplomatic interest, China has been found to be aggressive in investing in African nations, precisely in Kenya especially on infrastructural development. This move by China is so as to mobilize Kenyan support, and this is as confirmed by majority of the respondents to this study. Therefore, the pursuance of diplomatic interest in China has consequently led to socio-economic development in Kenya as the investment in infrastructure creates employment thus spurring economic growth, while at the same time, boost the living standards.

## **2.5 Security interest**

Despite the fact that China is so influential in the Kenya's economy, the nation plays negligible role on matters security in Kenya, and this is as indicated by a few of the respondents, 15%. This finding is in disagreement with a study by Park, who indicated that China continues to venture into Africa and its investments continue to expand rapidly on the continent. Therefore Park concludes that Chinese investments and Chinese staff security in Africa has become the top priority for China. By 2012, there were approximately one million Chinese nationals working and residing in Africa.<sup>70</sup> By 2017 the number had increased more rapidly with Nigeria, Ethiopia, Angola, Zambia and Algeria having the highest number of Chinese workers, around 57% of all Chinese workers in Africa; Algeria alone accounted for 30%.<sup>71</sup> The Chinese nationals are not only exposed to security threats at the local level where they work such as cases of robbery with violence and murder in South Africa, but also at the state level due to political instability.

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<sup>70</sup> Park, Y. J. (2010). Boundaries, borders and borderland constructions: Chinese in contemporary South Africa and the region. *African Studies*, 69(3), 457-479.

<sup>71</sup> Alden, C. (2017). China and Africa's natural resources: The challenges and implications for development and governance.

Similarly there have been plenty of political related attacks on the Chinese nationals in rebellion against Chinese cooperation agreements with the governments and following their exploration of natural resources where locals resent of being left out. There have been reports of security threats for the Chinese workers kidnapped in southern Nigeria at the Niger Delta, by the anti-government rebels in retaliation against the Chinese owned companies that has been exploiting crude oil. There have also been reports of destruction of Chinese investment projects due to labor related disputes such as unrest at Coal Mine in Sinazongwe province in Zambia in 2010 that resulted to the death of 13 miners shot dead by Chinese managers and one Chinese manager dead and several seriously injured.<sup>72</sup>

Regime changes and political turmoil in African countries have also threatened the safety of the Chinese investments and their Chinese personnel. A case in point was during the 2003 military coup in Liberia and the most recently political turmoil in Libya 2011 in which China had to rescue its Chinese nationals. China's military and diplomatic personnel were forced to evacuate the Chinese nationals from the political turmoil.<sup>73</sup> Nevertheless, the regime change in Libya costed Chinese companies involved more than twenty billion USD of losses due to the contracts they had previously made with the Gadhafi regime. Therefore failure to provide protection by the Chinese government would undermine China's se Communist Party's legitimacy both internally and internationally.

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<sup>72</sup> Sautman, B., & Hairong, Y. (2014). Bashing 'the Chinese': contextualizing Zambia's Collum Coal Mine shooting. *Journal of Contemporary China*, 23(90), 1073-1092.

<sup>73</sup> Zhao, S. (2014). A neo-colonialist predator or development partner? China's engagement and rebalance in Africa. *Journal of Contemporary China*, 23(90), 1033-1052.

It is clear that Chinese nationals and Chinese investments are very vulnerable to insecurity particularly in less-developed, politically unstable African states, hence the need for China to focus on protecting these economic interests and its people. Failure to provide protection could jeopardize China's main interest in Africa: economic benefits, which is vital to boost and maintain domestic growth. Initially, China relied on multilateral organizations to provide security within Africa, such as the UN. By the end of 2008, China however, under the authorization of UN Security Council Resolutions 1816 and 1851, started to deploy PLA naval escort to the Aden Gulf.<sup>74</sup>

These resolutions aim at rallying international efforts to battle Somali piracy. This does not conflict with China's "no troop abroad" principle because it was the U.N. mandate and the missions remains active since then. China has continued pay more attention in bilateral security solutions, and has taken necessary efforts in cooperating with the African Union on matters peace and security. At the 5<sup>th</sup> FOCACC ministerial meeting in Beijing, China initiated an agreement on the China-Africa Cooperative Partnership for Peace and Security.<sup>75</sup> In addition, China supports peacekeeping operations of the AU, as well as educating security and peacekeeping officials.<sup>76</sup> All these strategies show the willingness of China in protecting its security interests and its personnel besides assisting the AU to defuse security threats in Africa.

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<sup>74</sup> Christoffersen, G. (2009). China and maritime cooperation: Piracy in the Gulf of Aden.

<sup>75</sup> Alden, C. (2015). China's Policy towards Peace and Security in Africa: A new paradigm for peace building?. China Africa Relations: Governance, Peace, and Security, 16-28.

<sup>76</sup> Yin, H. (2007). China's changing policy on UN peacekeeping operations. Stockholm: Institute for Security and Development Policy.

## **2.6 Summary of Chapter Findings**

This chapter was about the Chinese interest in African continent whereby interests were put into consideration, in this regard, and these were economic interest, political interest, diplomatic interest, and security interests. The findings to this study revealed that China had enormous economic interests in Africa due to her demand of natural resources necessary to fuel her industries and economic growth besides the vast market available in Africa for her cheaply produced goods. The study also revealed that diplomatic interests are of major importance to China as China has managed to phase off Taiwan in Africa and has got diplomatic ties with all African country apart from Swaziland. This is in order to garner her diplomatic support from African states essential issues of interests in the multilateral forums and at international arena as such as the United Nation for its political agenda. This study also revealed that political interest is also a key anchor to China-Africa relation and lastly security interest in Africa though with less enthusiasm compared to other key interests.

## **CHAPTER THREE**

### **SOCIO-ECONOMIC IMPACTS OF CHINESE POLICIES TOWARDS KENYA AND THE REST OF AFRICA.**

#### **3.0 Introduction**

China has in the past thirty years managed to grow from extreme poverty and under-developed nation to become an emerging global power, second in global economy as from 2010 as well as of the largest exporter of manufactured goods. Due to this, China serves as a perfect development model to be emulated by African states and a large trade partner from the traditional Africa's development partners as well as an alternative source of finances. While China's footprint on the continent increases, China has had tremendous impacts on emerging African economies. However, research based analysis is necessary in order to define clearly the pros and cons of these impacts, and most importantly to come up with the policies necessary to maximize these socio-economic development of Sino-Africa cooperation.

#### **3.1 Loans, Aid and Debt Relief Impacts**

The study revealed that Chinese loans are offered on favorable terms, compared to ancient western financiers. 48% of the respondents asserted that the advancement of such financial aid by Kenya has brought about socio-economic development, but has put more strain on the public. They believed that the loans awarded by the Chinese government to Kenya in some cases have been misused by the government officials using corrupt means, and this has led to sluggishness in social economic development. However 50% of the respondents to this study were of the opinion that Chinese loans and aid are of very great impact towards Kenya socio-economic development. This is in agreement with the study by Tull, who indicated that the loans given by China to Africa helped in elevating the economic status of the latter for the better. In this view,

this study noted that China has continued to sign many unconditional loans with African states, unlike the conventional traditional financiers mainly the IMF and the World Bank which impose tough structural adjustment conditions in the past.

## **3.2 Infrastructural Developments Impacts**

### **3.2.1 Belt and road initiative- BRI**

15% of the respondents disputed that the road and belt initiative by the Chinese had any social or economic impacts but are more beneficial to the Chinese government in order to extract natural resources. However the findings to this study by most of the respondents, that is 65%, indicated that the BRI initiative by the Chinese has stimulated socio-economic development. Majority of the study respondents highlighted the major role that the roads constructed by China play with one of them being increased connectivity within the region; an aspect that has led to increased trading activities and flow of ideas. The findings to this study are in line with study by Syed and Yung-Hsiang who indicated that the BRI improved connectivity and cooperation at a transcontinental scale. In addition, this study also indicated that the project promoted economic development and inter-regional connectivity in over 115 countries, and is arguably the largest single investment in infrastructure in generations.<sup>77</sup>

China plans to spend several trillions of dollars of investments in this initiative, it will mainly focus in areas infrastructure such as roads and railways, energy, telecommunications developments, industrial and technical capacity building. All nations are invited to participate in this initiative, from Asia to Europe and to Africa, with BRI involving more than seventy countries, impacting on a large portion of the world population and similarly impacting

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<sup>77</sup> Syed, Jawad, and Yung-Hsiang Ying. 2019. China's Belt and Road Initiative in a global context. Volume I, Volume I. <https://public.ebookcentral.proquest.com/choice/publicfullrecord.aspx?p=5795908>.



positively on more than quarter of global GDP. BRI transport infrastructures are expected to reduce travel time by more than 10% when completed. On the other hand BRI infrastructural projects will enhance trade income by more than 8%trade besides lifting more than 8 million people from extreme poverty.<sup>119</sup> BRI development projects will substantially improve business, foreign investment, and improve living standards of Kenya citizens and other participating countries. However, the BRI come with risks common to many major local and international infrastructure projects including debt and governance risks specifically corruption and procurement issues, stranded infrastructure, environmental and social risks. Some countries have already been affected including Sri-Lanka that has been compelled to surrender Chinese funded port over the inability to clear Chinese debt. Therefore the above stated positive impacts will not be realized until China and other corridor economic partner adopt proper policy reforms that advocate for transparency, proper debt management, improve debt sustainability as well as addressing labor conflicts environmental degradation, social and corruption risks.

To date China has managed to finance over 200 infrastructural projects African. These infrastructural projects are meant to construct or upgrade about 2,000km of railways along with 30,000km of highways. All these could be attributed to the Sino-Africa Infrastructure Cooperation Plan, a developmental cooperation between China and the AU.<sup>78</sup> in this plan China is expected to spearhead planning, design, construct, operationalize and maintain railways, highways, airports, watersports, energy and telecommunications infrastructure in Africa, with an aim of enhancing sustainable development capacity in the African continent.

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<sup>78</sup> Zhang, Wenxian, Ilan Alon, and Christoph Lattemann. 2018. China's belt road initiative changing the rules of globalization.

### **3.3 China's Foreign Direct Investments (FDI) impacts in Kenya.**

This study revealed that increased Chinese FDI in Kenya boosted the economy in terms of the GDP (Gross Domestic Product). Most respondents to this study that is 58% indicated that the foreign investment by China to Kenya led to increased taxations to the government, and this has subsequently led to a healthier economic development. Besides that, a few respondents, that is 2% focused on the social aspects of FDI, claiming that this has helped in boosting cultural ties between the Chinese and the locals in Kenya. The findings to this study is in line with that of Schere, Leonce and Peter, who indicated that there has been tremendous economic growth in African countries receiving Chinese FDI hence the Chinese government plan to increase its FDI investments to US\$100 billion as from 2020 from US\$32.4 billion in 2014 so as to improve Africa's economic growth and development.<sup>79</sup>

Due to the cordial reception of Chinese FDI by most African states China has begun to develop strategic and commercial cooperation zones abroad in countries such as Egypt, Nigeria, Mauritius, Ethiopia and Zambia. These zones offer incentives such as tax waivers in order to attract Chinese Foreign Direct Investors. Some zones are already in operation with industries moving in and productions getting started. In addition to investment the zones are have provide employment and technology transfer to further economic development. In addition to China supporting industrial capacity cooperation between both partners, China has also set aside funds to support Africa's development of Small and Medium Enterprises.

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<sup>79</sup> Schiere, Richard, Léonce Ndikumana, and Peter Walkenhorst. 2011. China and Africa: an emerging partnership for development?

### 3.4 Tourism and Air travel developments

62%, of the respondents indicated that the new Chinese tourism market plus the developments of new air routes travels contribute heavily in boosting global economic growth and development. In 2004, China approved Kenya as a tourist destination hence opening a new market for Kenya tourism stakeholders.<sup>80</sup> Soon after, KQ, the country's national carrier, started a new route to China. Initially, Chinese tourists visiting Kenya were negligible compared to tourists visiting from Italy, Germany, France, the United States and other leading source tourist to Kenya. . However this number has increased gradually to the extent that some critics are accusing Chinese tourists of flooding in to the Kenyan national parks.

Most of the Kenya airlines routes flying to China are thriving with none of them operating at a loss. Most respondents were of the opinion that the airlines served as important sources of employment in the Kenyan economy. Kenya has been reporting consistently increasing in Chinese tourists from 2006 despite global terrorism, and disease scares like the Ebola. Later with increase in the number of Chinese tourists and business southern china airlines started taking direct flights to Nairobi. These airlines bring African business travelers from all over Africa to Nairobi for their easy connections to China- Guangzhou, which is Chinese manufactured goods and fabrics' most popular market sources.<sup>81</sup> This provides a win-win situation as Kenya is profiting from its flights to Asia while Chinese firms gain access to African markets.

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<sup>80</sup> Kefela, G. T. (2009). Mapping China's Trade with Sub Saharan, Africa: A Financing Mechanism. *KASBIT Business Journals (KBJ)*, 2, 34-41.

<sup>81</sup> Cissé, D. (2013). South-South migration and Sino-African small traders: a comparative study of Chinese in Senegal and Africans in China. *African Review of Economics and Finance*, 5(1), 17-28.

### **3.5 Summary of Chapter Findings**

This chapter sought to explore the Chinese policies socio-economic impact towards Kenya and the rest of Africa. China was found to positively influence socio-economic development through its investment in infrastructural development with one of the projects under this being the belt and road initiative. The project helped in increasing connectivity, providing job opportunities, enhancing trade and facilitated movement of human resource within the region thus enhancing social economic development. Apart from that, the increased FDI flows by China to Africa also helped in enhancing in spurring macroeconomic and microeconomic growth hence socio-economic development in Kenya. Last but not least, it was also found that the developments in tourism and air travels between China and Kenya helped in boosting revenue through airlines, hotels, park fees and all tour stakeholders benefiting socio-economic development.

## CHAPTER FOUR

### CHALLENGES OF SINO-KENYA RELATIONS STRATEGY

#### 4.0 Introduction

This study can authoritatively express that Kenya-China cooperation strategies are destined for a brighter future. However, there are some challenges that have been found to affect the implementation of the strategy that binds the relationships between the two nations. Just but an overview of the strategic relationships between the two entities in terms of socio and economic development, it is noted that Kenya-China trade cooperation has recorded the highest since the cooperation was established with China's controlling heavy infrastructural investments in Kenya, while Kenya becomes the biggest beneficiary of bilateral debt. This total debt comprises of exports from China, along with direct investment of China to Kenya. In this regard, the challenges are faced in terms of Kenya's importation of fake commodities, the inability of the nation to expand its industrial sector as a due to over dependence of cheaper industrial products from China, along with threat of employment as the government has been found to increase foreign influx of the Chinese labor force to Kenya.

#### 4.1 Importation of Counterfeit goods from China.

80% of the respondents to this study indicated that the nation is overwhelmed by goods from China, most of which are not long-lasting. This finding is in line with the findings by Yang, who further indicated that the entrance into the Kenyan market of Chinese counterfeit goods hampers the entry of the genuine products, hence unfair competition with the genuine products.<sup>82</sup> Identifying differentiating counterfeit product is not easy even when one has the two products.

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<sup>82</sup> Yang, Fan. 2015. Faked in China: Nation Branding, Counterfeit Culture, and Globalization.

This is because producers of these products have devised ways of thwarting strategies like barcodes on packaging meant to assist consumers differentiate between genuine and counterfeit products. Counterfeit product infiltrating into Kenyan markets from China includes electronics, pharmaceuticals, clothes, footwear, spares, food items, cigarettes and alcoholic beverages. Kenyan Anti-counterfeit Authorities have heightened efforts to intercept counterfeit and contraband goods. The crackdown recently, sparked protests from small traders claiming that their businesses suffered while waiting for goods to clear customs.

#### **4.2 Killing infant industries in Kenya.**

The findings to this study as indicated by majority of the respondents that is 60%, revealed that the implementation of the Sino-Kenya relations strategy has always led to the killing of infant industry. Only 5% of the respondents supported the fact that the adoption of this strategy promoted industrialization in Kenya. This study finding corresponds to the study findings by Yang who stipulated that the fast rate of infiltration of Chinese manufactured products into the East African market, could jeopardize Kenya's prospects for industrialization. As a core component of development strategy China's growing presence in Africa poses various threats to industrialization. These kinds of challenges have both direct and indirect impact, with the direct impact being affecting country-to-country cooperation while the indirect are impacts on competition in third country markets.<sup>83</sup>

With these impacts into play, combined with poor domestic conditions such as inadequate infrastructure, high taxation and expensive energy rates, Kenya faces a possible decline in industrialization. Evidently, Kenya's manufacturing growth declined from 5.% in 2013 down to

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<sup>83</sup> Kargbo, A., Mao, J., & Wang, C. Y. (2010). The progress and issues in the Dutch, Chinese and Kenyan floriculture industries. *African Journal of Biotechnology*, 9(44), 7401-7408.

3.5% in 2014. per cent in 2014, down from 5.6 per cent in 2013.<sup>84</sup> The manufacturing sector decline has been worsened by China's taking over of the regional markets of Uganda and Tanzania which Kenya had traditionally supplied. Exports from Kenya to the East African region are quite similar to those from China, which means that they are easily displaced by those from China which are cheaper.<sup>85</sup>

In addition, China is projected to start mass production of agricultural products most of which developing agricultural countries relies on for exports globally causing a lot of concerns. Some of the products that china plans to perform mass production are flowers, tea and coffee of which Kenya has for long time been the leading global supplier especially to European markets. Historically Tea and coffee have been Kenya's leading export commodity.<sup>86</sup> If this comes to pass then Kenya will be faced with an uphill task given that Chinese products will be cheaper and may venture further in to the market.

### **4.3 Debt-trap diplomacy**

Majority of the respondents to the study, that is 85%, believed that Chinese loans placed Kenya as the recipient in a debt trap. They were of the view that the funds sourced from China made Kenya heavily dependent on the donor nation. The study finding agrees with the findings by Dolan, who concluded that the debts advanced by the Kenyan government from China put the nation at a trap. Kenya has borrowed extensive loans from China in order to develop infrastructures such as loans to build Thika super highway, the railway from Mombasa to Nairobi among other projects. In addition, China also increased importation of its fish and other

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<sup>84</sup> Branch, I. (2012). Kenya: between hope and despair, 1963-2012. New Haven, Conn: Yale University Press.

<sup>85</sup> Ravenhill, J. (1979). Regional integration and development in Africa: lessons from the East African Community. *Journal of Commonwealth & Comparative Politics*, 17(3), 227-246.

<sup>86</sup> Dolan, C. S. (2010). Virtual moralities: The mainstreaming of Fairtrade in Kenyan tea fields. *Geoforum*, 41(1), 33-43.

products to the local Kenyan market. However, responding to public uproar over Chinese fish flooding Kenyan markets, President Kenyatta suggested ban of Chinese fish imports. In retaliation, Chinese government threatened to stop the SGR funding against Kenya besides threats of imposing more other trade sanctions. Soon after the government lifted that ban of the importation of Chinese fish to avoid such eventuality,

This is not the first time threats related to debt projects have happened. In December 2018 it had been speculated that the government of Kenyan could lease its largest port, the Port of Mombasa, to be used as collateral for Chinese loans that was used to construct the SGR by the Chinese.<sup>87</sup> This was because it was feared that Kenya would default on Chinese loans, forcing her to surrender port control to China. Kenyans have questioned whether debt traps emanating from Chinese loans are worth the risk, drawing analogies from Sri Lanka, and some analysts have argued that these loans could put Kenyan independence and sovereignty at jeopardy. Reaping full benefits from China-Africa cooperation will require change of strategy in governance, debt management; transparency and public participation as the citizen eventually carry the greatest load of paying the debt.

#### **4.4 Unemployment**

Majority of the respondents that is 60% observed that the implementation of the Sino-Kenya relations strategy worsened the employment situation in Kenya in some areas. Most of these respondents claimed that the opportunities that were to be enjoyed by the locals are now allocated to the Chinese in the phase of the implementation of the projects. Other respondents are of the opinion that the implementation of the Sino-Kenya relations strategy also poses a cut-

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<sup>87</sup>Begleiter, A. V. L. (2019). *The Dragon Stretches its Wings: Assessing the Geopolitical and Economic Implications of China's Belt and Road Initiative in Pakistan and Kenya.*



throat competition to Kenya's manufacturing sub-sector, which is more of labor intensive to the locals. The growing inflow of low-quality products from China into the Kenyan market has got direct negative effects on the labor market in Kenya. The most immediate effect is that the labor force which would have otherwise been sourced from the local pool is now imported from China; most of whom have technical expertise especially in infrastructural development.<sup>88</sup> Given that the Kenyan government is focusing more on infrastructural development, there has been an increased importation of labor from China to the nation. As a result, this has affected the local labor pool in the sense that the few available job opportunities are now taken up by foreigners from China.

#### **4.5 The Summary of Chapter Findings.**

This chapter covered the challenges of Sino-Kenya strategy. Some of the challenges that were clearly outlined in this chapter were that the pursuance of this strategy led to the importation of counterfeit goods that are cheaper in price and pose an unfair competition to the genuine products. In addition, the implementation of the strategy led to the killing of local infant industries due to availability of cheaper counterfeit product, and further worsened the state of unemployment. Lastly the Sino-Kenya strategy put Kenya at a debt trap, thus leaving her under the manipulation of China and in a state of dependency to her lender.

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<sup>88</sup> Chan, Anita. 2015. Chinese Workers in Comparative Perspective. Ithaca: Cornell University Press.

## **CHAPTER FIVE**

### **FINDINGS, CONCLUSION AND RECOMMENDATIONS**

#### **5.0. The Introduction**

The research aimed at establishing impacts of Chinese influence towards African States socio-economic development, with the main focus being on Kenya. In order to attain this end, the study was guided by three objectives, and these were, to explore China's interests in Africa along with their impacts towards Africa's socio-economic development. Secondly, to analyze impacts of Chinese role and influence towards Kenya and African's states socio-economic performance and development, and to examine the challenges experienced in China-Kenya socio-economic development strategy. Moreover, two hypotheses also guided the study, and these were, H1: China's interests have had a great influence towards socio-economic development of African states, while H0: There is no significant impact of the Chinese influence on Kenya's socio-economic development.

#### **5.1 Summary of key findings**

China has played a vital role towards socio-economic development of African states Kenya included. The latter has been found to benefit especially in infrastructural development. This summary will go by analyzing objective by objective that guided this research.

Objective number one was to determine China's interest of in Africa and the influence this has on socio-economic development. In this case, the study revealed that China's economic interest has helped in spurring trade in Africa, and this can be supported by its adoption of the Going Out Strategy, whereby this nation is found to consider investing in Africa because of abundance in resources. Apart from that, it is also noted that China is luring investing in Africa by offering lowest interest loans, with some of the loans being in form of indirect investment especially in

infrastructural development. Besides economic interest, China is also known to have political interest in Africa, as both were subjected to colonial rule by the capitalists and imperialists. Given the fact that the two entities had to go through a similar process of liberation and independence, China was attracted to give a lending hand out of mercy. The overall effect of this China-Africa cooperation is a tremendous socio and economic development.

Apart from that, China is also known to have major diplomatic interest in African continent clearly because China has benefitted from massive support from African States in the various United Nations frontiers, with one of them being getting support from 26 African States out of the total 54 states on the issue of resuming its seat in the United Nations. Given this case, China has been attracted to support Africa, with Kenya being one of them, and this has subsequently led to social and economic development. Last but not least, there is also security interest. China is interested in the security of African region as a whole, and this is due to the fact that it has most of its nationals working and residing in Africa. In order to enhance security of the region, China has been aggressive in supporting the AU operations, and this has been evident through material and financial support.

The second objective was to analyze the impacts of Chinese role and influence towards Kenya and African's states socio-economic performance. In this research, China has been found to play various roles in Africa, precisely in Kenya. One of the major role that China has played, which has turned to bring about positive social-economic impact is the role of a financier. In this regard, it is noted that the nation has made many African nations to benefit from its direct and indirect loans. Similarly, the other key role played by China in Kenya is that of diplomacy. In this case, President Uhuru Kenyatta, who was facing charges against humanity at the ICC, was lobbying China's for support at the UNSC; which would have helped in relieving him of the charges he was facing if the case went to the UNSC.

Lastly, the other role that China is known to assume in Africa is that of an investor or financier in infrastructure. This is apparent in Africa's its belt and road program, whereby China has spent a lot of money to the tune of billions of dollars to improve the region infrastructural development.

The final objective was to examine Kenya-China socio-economic development strategy and policy challenges. One of the challenges is in the importation of counterfeit goods from China. Most goods from China have been reported to be of low quality, and this could be attributed to their low prices. Apart from that, the other challenge is that of killing the infant industries. There has been a significant decline in the growth of and startup of industries in Kenya, and this could be attributed to the importation of cheap commodities from China; which would have otherwise been expensive when produced locally. Besides that, the other challenge portrays itself in form of debt trap, whereby China has been found to blackmail the government of Kenya by cutting on foreign aid in regard to the construction of ports and the SGR for it to be allowed to export fish to Kenya. Last but not least, the other major challenge is in regard to unemployment, whereby a few of the available technical job opportunities are entrusted to the Chinese, thus increasing the levels of unemployment among Kenyans.

## **5.2 Conclusions**

The influence of China has been so instrumental towards socio-economic development of African nations to include. Its interest in various domains such as economy, politics, diplomacy, and even in security has helped in spurring development. Nevertheless, China's economic participation in African countries, Kenya included tend to leave many African countries dependent to China. The slavery comes in whereby the government has no otherwise but to seek cheap loans from China, which a bigger portion of it come in form service delivery on the area of infrastructural development.

The dependency is more pronounced on the aspect of blackmailing whereby the government of China has been found to use the tactic in controlling the government of Kenya. In addition, as far as security interest is concerned, Africa has benefited largely from the military support given by China by providing some war artilleries. However, some of these inputs are not so durable, thus bringing about the question of sustainability in Africa's socio-economic development. Apart from that, the role of China as a financier has brought about the aspect of the nation being in a debt trap, and this is despite the fact that such a move has helped in promoting social and economic development.

Lastly, there have been various challenges in the development strategies laid down between Kenya and China. These challenges have been found to have detrimental effect on Africa's socio economic development. Such includes but not limited to, the overreliance on Chinese of loans leaving some of these nations at a serious debt trap. Apart from that, the increased trading activities, which is felt by the increased imports from China to Kenya has led to the killing of infant industries, and at the same time worsened the state of employment in Kenya.

### **5.3 Recommendations**

China should consider increasing its security interest in Africa, as this will help in curbing the fight against terrorism, with the notorious terror groups being the Al-Shabaab and Boko Haram. Doing so will help in sufficiently meeting its other interest such as economic interest as the investors will consider African as a friendly and safe place to invest in.

The other recommendation on socio-economic development is that much as there is increased FDI flows from China to Africa, such investment should focus on making African nations to be independent and reduce dependency China. Therefore, the increased trade and development inflows to Africa by China should aim at making African nations to be self-sustaining in future.

Last but not least, when it comes to the challenges in the implementation of the Sino-Kenya strategy, the government should put measures in place to prevent the importation of counterfeit commodities from China, most of which have flooded the Kenyan market leading to the killing of infant industries. In addition, when it comes to employment opportunities, the government should consider only importing technical skills from China which cannot be found in Kenya. This will ensure that the more job opportunities are enjoyed by Kenyans with a few of them left to be dominated by the Chinese.

#### **5.4 Area of Further Research**

Further study should be done on policies and measures necessary to counter the challenges as well as the negative impacts of China-Africa cooperation that may eventually lead to conflicts.

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## APPENDIXES

### APPENDIX 1 QUESTIONNAIRES:

#### PART A: Demographic characteristics

Tick as appropriate

**i. Age**

- a) 18-31
- b) 32-45
- c) 46-60

**ii. Gender**

- a) Male
- b) Female

**iii. Level of Education**

- a) PhD
- b) Master
- c) Bachelor's Degree
- d) Diploma

**iv. Years of Experience**

- a) 1-3
- b) 4-6
- c) 7-10

**PART B: CHINESE INFLUENCE IN AFRICA AND INFLUENCE TOWARDS HER  
SOCIO ECONOMIC DEVELOPMENT**

1. What do you find as China’s general interest in Africa, precisely Kenya?

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2. When it comes to the economic interest, has the successful implementation of the Going Out strategy substantially increased China’s economic ties with Africa?

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3. In your own view, do you think China has political interest in Africa? If so why?

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4. Do you think China has any diplomatic interest?

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5. Do China play a significant role in security in Africa in such a manner that influences socio-economic development?

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**PART C: IMPACT OF CHINESE ROLE AND INFLUENCE TOWARDS KENYA AND THE REST OF AFRICA’S SOCIO-ECONOMIC PERFORMANCE AND DEVELOPMENT**

**1. Do loans, Aid and Debts from China positively impact social economic development in Africa?**

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**2. Does the belt and road initiative help in stimulating social economic development in Africa?**

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**3. What impact does China’s Foreign Direct Investment (FDI) have on socio economic development in Kenya?**

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**4. Does tourism and air travel developments help in impacting socioeconomic development in Kenya?**

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**PART D: CHALLENGES EXPERIENCE IN KENYA-CHINA SOCIO-ECONOMIC STRATEGY**

- 1. Has the pursuance of SINO-KENYA relations strategy increased the risk of importation of counterfeit goods from China?**
  - a) Yes      b) No**
  
- 2. Are the infant industries killed in the course of implementing the Sino-Kenya relations strategy?**
  - a) Yes      b) No**
  
- 3. Is Kenya more imposed to debt trap on pursuing the Sino-Kenya relations strategy?**
  - a) Yes      b) No**
  
- 4. Has the unemployment situation worsened on the implementation of the Sino-Kenya relations strategy?**
  - a) Yes      b) No.**
  
  - a) Always      b) Regularly      c) Rarely      d) Never**

*Thank you for your time*

## **APPENDIX 2 NACOSTI PERMIT**