FROM PROTECTIONISM TO GLOBALIZATION: THE ONE BELT, ONE ROAD DYNAMICS IN AFRICA

Banwo Adetoro Olaniyi, Ph.D.
Confucius Institute, University of Lagos,
Akoka-Lagos, Nigeria
abanwo@unilag.edu.ng

Keywords:
globalization, protectionism, trade, barriers and consumers

ABSTRACT

This study examines the One Belt, One Road Policy of China in Africa with the central aim of depicting the impact of globalization and protectionism. This research work is located within the precincts of globalization and protectionism. Data were obtained through homogenous purpose sampling and content analysis was used to study this work. Certain factors such as globalization, protectionism, trade, barriers and consumers were selected for study in this work. It adopts the theoretical framework of globalization as propounded by Williams I. Robinson who argues that as goods and services get transferred across national borders, their manufacturing and production also get fragmented. It ascertains that globalization allows free trade through broken barriers and it has both positive and negative implications on economies that promote globalization. African economies are bedeviled with ailing industrial sectors and lack of funds to promote capital projects. Should Africa protect its economy and derive the needed capital from trade or should Africa submit to the whims and caprices of China? China is a strong economic ally of most African countries because of trade, infrastructural development and finances. Most African economies are indebted to it, however, the restrictions offered by protectionism promotes the development of industries in Africa as against the huge competition promoted by globalization. While it's understandable that protectionism offers no innovative potentials, globalization on the other provides global economic growth, job creation, competitive markets and prices. This research work therefore aims to examine the concept of globalization against protectionism, it intends to draw inferences and develop a model that would work for Africans and the Chinese.

Introduction

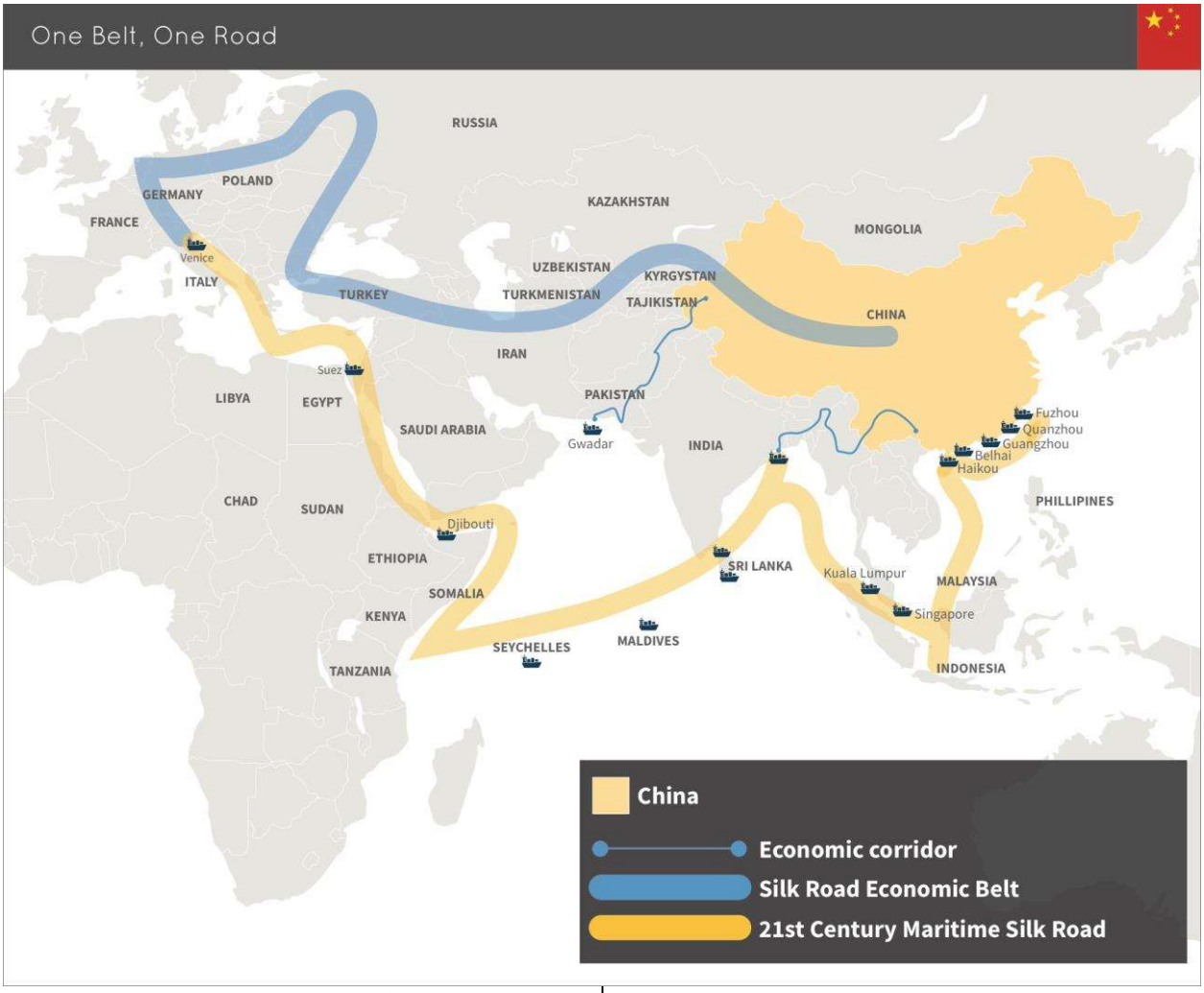
Globalization itself is an economic terminology in which businesses or countries organize their economic potentials to garner international influence or expand their productive capabilities from the domestic scale to an international scale. China's rise in the international community has been hinged on these premises, its inherent ability to expand its productive influence across the globe and most especially Africa. The Chinese globalization agenda is seen as a political and economic one. On the one hand, China intends to use its globalization agenda in Africa to garner support and implant itself as an international player with influence and power. On the other hand, China aims to gain a competitive edge through its globalization agenda. African countries can benefit from globalization because it facilitates a wide spread of a varieties of products, technology, information and jobs across the nations. However, the dangers obvious in globalization entangles African countries with foreign ones and cripples its developing manufacturing industries.

Western globalization and integration ignited China's rise as a geo-economic superpower, in 2001 China's GDP went from USD 1339.41 billion to USD 11202.92 in 2016. This dramatic increase was due to China's joining the WTO. China became a geo-political power and one of its inherent characteristic is that it causes tension with the previously existing hegemon or geo-political power. A rising China is therefore seen by the Beijing led government as one that intends to take the central stage in the world where it seems they actually belong. This was clearly stated by the Chinese leader Xi Jingping when his dream of national rejuvenation dwelt on the consolidation of the nation's wealth and military prowess coupled with the heightened legitimacy of the Chinese Communist Party rule, and the taking of the central stage in world affairs. Thus, influencing global governance is key to China achieving its dream and it has championed this cause by institutional building activities in both national and international levels (Gabusi, 2017).

Chinese globalization agenda is an overarching one in Africa, Africa has seen an influx of Chinese loans and aids to support economic and infrastructural developments of many African states which has economic dimensions attached to them. Most African states have turned to China for loans because of the approach China offers in giving out its loan. While some scholars have argued that China doesn't follow international standards and regulations in giving out of loans, China has remained a strong partner with many African countries in development and economic activities. Chinese Go Out Policy of the Going Global Strategy which was launched by the Chinese government in 1999 further buttressed Chinese investments abroad as well as engineer financial channels with respect to the national markets (Hongying, 2016).

With this strategy China's economy grew at an unsustainably rapid rate during the past three decades. This was engineered by its policy as regards developments in technology, lowering transactions and market entry costs. Invariably, China has been taking advantage of its cheap labor resources and high government capital and infrastructural investment. This development policy has made tremendous improvement and success for this Asian giant that is also characterized with a shrinking working-age population, a thinning technological gap between China and developed countries while government investment increased at 49 percent of GDP. This fluctuating situation has encouraged a transition towards a more balanced and sustainable economic approaches with a core focus on global integration. The One Belt and Road Initiative (OBOR) compose of the land-based Silk Road Economic Belt and the sea-based 21st Century Maritime Silk Road as a pillar of this transformation. OBOR aims to assuage China's domestic commercial slowdown, build infrastructure to connect Asia for trading, and reinforce China's regional influence thereby utilizing the overcapacity in Chinese firms (Luhr, 2015).

China is propelling the formation of a highly assimilated, supportive, and communally advantageous set of maritime and land-based economic corridors connecting European and Asian markets. Precisely, the Ministry of Foreign Affairs and the Ministry of Commerce in March 2015 stated the inventiveness will pass through the continents of Asia, Europe, and Africa. This will link the vivacious East Asia economic sphere at one end and industrialized European economic sphere at the other end thereby creating huge economic potential for development. The Silk Road Economic Belt emphasizes on bringing together China, Central Asia, Europe and Africa. It also aims at linking China with the Persian Gulf and the Mediterranean Sea through Central Asia and West Asia. Likewise it intends to connect China with Southeast Asia, South Asia and the Indian Ocean. The 21st- Century Maritime Silk Road is designed to go from China's coast to Europe through the South China Sea and the Indian Ocean in one route, and from China's coast through the South China Sea to the South Pacific in the other (Ministry of Foreign Affairs, 2015). The map below illustrates the linkage of China with Asia, Europe and Africa.



Source: (Cai, 2017).

China's foreign direct investment in the OBOR strategy connotes multiple paradigms for the states involved. While one can see an economic engagement on a monumental scale, these economies are also prone to dangers of globalization. Africa's economic crisis has reached a grappling stage where policy makers have to plan and implement policies that would revive the nation state. Likewise, Africa faces an infrastructural decay, an over increasing debt burden, a continuous unguided regulation of exports into its territories.

China through the OBOR initiative has offered to solve on problem among the teeming problems of Africa. It has offered to bolster African infrastructural decay through it's over ambitious policy to connect 54 African countries through modern transportation infrastructural projects. Swaine (2015) gives us an insight into the aim of the OBOR policy; it states that it plans to stimulate strategy coordination, facilities, connectivity, unimpeded trade, financial incorporation and people-to-people

connections. The initiative is designed to endorse the global free trade phenomenon of the west and open up world economies in the spirit of open regional cooperation. This would be done by ensuring deep integration of markets, orderly and free flow of economic factors and highly efficient allocation of resources by encouraging a policy of coordination along this route. It also aims to build a regional economic cooperation bloc that would be of high standards that benefit all nation states. This research work intends to expose the fact that China through the One Belt and Road Initiative (OBOR) has become a key, major and vital player in most African economies. These nation states have become solely dependent on China for loans, aid and the building of its infrastructures. This is a dangerous trend that has made sovereign African states highly dependent on China.

Chinese globalization agenda is therefore seen as a geo-economic one that intends to use African economic underdevelopment to project itself as a superpower. Its consistent government political policies correspond with its central aim, taking the central stage in world affairs. China's ability to transform itself from an agrarian economy to a manufacturing one has played a critical role in its globalization agenda. It has provided most African countries with the desired products and services needed for its growing population. Chinese One Belt and Road Initiative (OBOR) is a major government thrust that pushes connectivity of continents through different countries thereby promoting people to people exchange, information transfer, creation of jobs and a tight economic cooperation and interdependency. This research paper therefore examines the One Belt and One Road policy of China in Africa. It aims to depict how the forces of globalization or protectionism would affect Africa's development. Succinctly, as a developing continent, would Africa benefit from the trade policies and the opening up of its borders to Chinas massive investment and trade engagement through this route? How would local industries cope with the capital investment aided companies of China? These among others are the aim of this research paper.

Literature **Review**

This work would examine the extant literature about globalization and protectionism. International economists have propounded theories founded on the notions that globalization is the anchor that would stir a nation's economy into development; likewise they have argued that developing nations are at risk when they engage internationally. Thus, one have a quandary, one in which developing nations of Africa have been exposed to the excessive flow of goods, services and people. What implications does this have for Africa? The paper would now examine the theories of globalization.

Globalization

Theoretically or perhaps historically, nations have rights over the control of the people, products and capital that cross their

borders. However, one fact is imminent in the 21st century, our economies are becoming intertwined and interwoven. Globalization is an interdependence of cultural, political and technological factors among the different economies of the world (Giddens, 2018). This fact is further buttressed by Nilson (2010) who asserts that globalization typically refers to the process by which different economies and societies become more closely integrated, and concurrent with increasing worldwide globalization, there has been much research into its consequences. Waters (1995) draws inferences to the origin of globalization to understand its features; he claims that a form of globalization has been in progress throughout history which is seen in the prehistoric movement of people across the planet. He also informs that globalization is an outcome of capitalism in the modern period and more recently, the product of disorganized capital of post industrialism and post modernity. Giddens (2018) claims that globalization provides a world market for capital, commodities, labor and communication to develop with deadly weaponry and sophisticated surveillance technologies. Globalization therefore makes economies vulnerable to trade shocks, crisis and capital flights. While it provides exposure, experience and a new form of interaction on an international scale, it has also exposed nations to new ideas and technological tools. McGrew (1990) states that globalization constitutes a multiplicity of linkages and interconnections that transcend the nation states (and by implication the societies) which make up the modern world system. It defines a process through which events, decisions and activities in one part of the world can come to have a significant consequence for individuals and communities in quite distant parts of the globe.

Meanwhile, Jameson and Miyoshi (1998) are of the opinion that globalization is difficult to define theoretically but states that globalization is the intellectual property of no particular field, yet seems to concern politics and economics in immediate ways, but just as immediately culture and sociology, not to speak of information and the media, or ecology, or consumerism and daily life. Beck (2018) distinguishes between globalization, globalism and globality to illustrate the connotative meaning of this concept. Globalization is the blanket term used to describe the processes through which sovereign national states are overlapped and undermined by transnational actors with varying prospects of power orientation, identities and networks. However, globalism is the view that the world market is now powerful enough to supplant local and national political action while globality refers to the fact that we are increasingly living in a world society in the sense that the notion of closed spaces has become illusory in which nothing happens on our planet is only limited to a local event.

Lash and Urry (1987) adopts the notion of disorganized capital to describe globalization, they present the hallmarks of this theory as more inter-state connections and the decreasing effect of state policy. The development of increased transnational communication and activities, a decline in

the importance of the nation state, the emergence of global political, economic and cultural organization and bureaucracies. A world-wide spread of western style consumerism through a huge increase in the flows of commodities and cultural products.

Apparently, globalization is not a new phenomenon, but within the 18th and the 19th centuries, the advances made in technology, international trade, and communication have soared greatly. Such dramatic shift into a globalized world has led many to question the benefits and pitfalls of globalization. The increase in trade, as well as technological, communication, and transportation advancements, has allowed societies to become more connected. Protagonists of globalization view it as a means by which countries may develop economically and increase the standard of living of its people. International trade through globalization has many benefits, it helps to increase economic wealth and established good political relationships with trading partners. It also promotes free trade and competition between corporations which gives consumers more options and cheaper goods to buy from. Likewise, it increases employment and allows for more efficient uses of resources. In this manner, it can help reduce poverty and give developing nations an opportunity to grow economically. Scholars have stated that it helps advance civil liberties, democracy, and human rights throughout the world (Rodrik, 2008). Antagonists of globalization see it as a form of exploitation of developing countries by developed countries through free-trade agreements. It also offers the westernization of the world or perhaps the Americanization of the world. These influences overtake a country's traditional identity (Levitt, 1993).Globalization has its promises and pitfalls, one thing is obvious, it involves the interdependency in all global system, the global economy and the international system of states. This interdependency has taken a high proportion that it offers the survival of a nation huge potential while also crippling its domestic affairs (Lane, 2017).

Finally, whether globalization is good or bad for Africa is arguable, the demerits and dangers of globalization on the continent outweigh the merits as propounded by international scholars (McMahon and Tschetter (1986), Ninsin (2000), Michel (2003), Nina (2005) and Moghadam (2005)) who obviously gain and reap off the benefits with their nation states. Africa has become overwhelmingly dependent on western states and its allies through globalization. It has become an exploited region and decapitated policy state through its excessive flow of ideas, capital, technology and manpower.

Protectionism

Protectionism as an economic policy signifies the restraining of trade between nations through barriers characterized as tariffs on imported goods, restrictive quotas and a variety of restrictions to discourage imports and prevent foreign take-over of locals markets and companies. Thus, economists often use protectionism to refer to state policies engineered to protect business and living wages in a country. In modern times, economists have warned

against protectionism because it is systematically perceived that it is harmful for economic growth of nation states thus the General Agreement on Tariff and Trade (GATT) was signed in 1947 with a clear aim to reduce tariff barriers but encouraging international trade (Fouda, 2012).

Protagonists of protectionism have debated on the essence of tariffs for nation states in their economic engagement with others. Tariffs although have leveled out in many economies during the first part of the 21st century, the fact is that economists see them as bargaining chips in ongoing and future trade negotiations (Kommerskollegium, 2016). In essence countries impose duties on goods coming into their territories with the main motive of conserving the domestic market of the country. However, the precautions taken in this direction causes the commercial balances to collapse when applied by the countries with mutual commercial relations for retaliation purposes. Protectionism is becoming a resounding economic theory now since the global crisis of 2007. The economic gullibility of nation states during this crisis has made economists to promote protectionism after drawing an analogy between the 1929 crisis and the global crisis of 2007. According to Efere (2002), a government applies protectionist policies by national security defense hypothesis, infant child industry proposition, strategic trade policy, inequality of conditions, child labor argument, protection of environment in order not to go through a new and deeper crisis. Therefore, protectionism is an instrument to facilitate trade balance, income distribution, job protection and adopt a countries economic power to alter world prices (Coughlin, Chrystal and Wood, 2000). All these policies are aimed at reducing financial and economic catastrophes.

To avoid further economic crisis, most developed and underdeveloped nations of the world have practiced protectionism. Even China, who has repeatedly sponsored globalization has over the years practiced and is still engaging in protectionist policies in key areas of its economy. For instance, China banned several European agricultural products while India imposed tighter standards on imports of Chinese toys, cellphones, iron, steel, yarn, soybean oil, poultry feeds and aluminum. Likewise, Indonesia imposed pre-shipment inspection requirements on over 500 goods, which could only enter through 6 seaports and all international airports. Erixon and Sally (2000) posited that there has been a great increase in barriers to trade since 2008 and 2009

Antagonists have debated the inherent negative consequences of protectionism. Scholars of economics have argued that global competition keeps the price of many goods down and when one removes the competition as protectionism requires, it will result in inflation. They have also opined that protectionism doesn't allow access to a much wider range of services and goods, which will limit consumer choices. Protectionism often lead

to trade wars and stir up tensions because once a country introduce or raise import tariffs on a country's goods, then there will be a retaliation from the affected country and it will simultaneously raise tariffs on your exports. Fouda argues in favor of protectionism and assert it's a way to protect domestic industries from harsh and aggressive international corporations, while such industry s may flourish in the short term, in the longer term they will tend to become less efficient. Innovation and quality will decline over time, as there is less incentive to improve without competition (Fouda, 2012).

From the above, scholars such as Fouda (2012), Kommerskollegium (2016), Efere (2002) and Coughlin, Chrystal and Wood (2000) have debated endlessly the inherent crisis that may engulf when countries engage in protectionist policies that builds barriers and eliminate free trade. Nevertheless, developed countries of the world at one time or the other have practiced protectionism, the aim is to protect their markets, garner up capital and build their industries systematically with the continuous influx of goods into their territories. If Africa must develop, it must restrict, control, manage, assess and create competitive advantage for its economy by creating barriers and imposing tariffs on specific goods filtering into its economy.

Theoretical Framework

This research work adopts the theoretical framework of globalization as propounded by Williams I. Robinson who argues that as goods and services get transferred across national borders, their manufacturing and production also get fragmented. Robinson (2001) examined globalization by studying different national societies and the nation-state by focusing on the universalizing tendencies and the transnational structural transformations bound up with globalization. He argues based on the thesis of the strong state thesis in which economies of weaker nations are globalized for transnational purposes. Robinson also posits that globalization is a new stage I in the development of world capitalism. To him, it marks the triumph of the capitalist mode of production in which capital has achieved a newfound global mobility and its reorganizing production worldwide in accordance with the gamut of political and cost productions. In this process, national production apparatus become fragmented and integrated into new globalized circuits of accumulation that were linked to each other through commodity exchange and capital flows in an integrated international market.

Robinson further argues based on the notion of global economy by depicting the globalization of the production process that breaks down and functionally integrates these national circuits into global circuits of accumulation. Globalization is, therefore, unifying the world into a single mode of production and a single global system and bringing about the organic integration of different countries and regions into a global economy. He observes that globalization has eroded national boundaries and made it

structurally impossible for individual nations to sustain independent, or even autonomous, economies, polities and social structures. Furthermore, he argues that the current epoch of nation-states are them as an instrument for the organizing principle of capitalism, and with it, of the inter-state system as the institutional framework of capitalist development. Capitalism is a constantly revolutionizing force, which perpetually reshapes the world in new and often quite unexpected configurations. In the emerging global capitalist configuration, transnational or global space is coming to supplant national spaces.

This theory is applicable to this work because it posits a theory of a strong state thesis in which weaker states are globalized for transnational purposes. In this case, China is a stronger state and intends to globalize the weaker states of Africa for capital flows and commodity exchanges. Specifically, Robinson argued that globalization has made it possible for nations to be independent which invariably makes weaker states susceptible to the caprices of stronger states.

Globalization and the One Belt, One Road Dynamics in Africa: A Discussion

Economist scholars such as Lin (2005), Fallon (2005), Du (2016) and ZiroMwatela & Zhao (2016) of the west and the east have examined the OBOR strategy of China, there are endless literatures on the essence, configuration and the implementation of this policy. One intrinsic fact is that this policy is one of economic engagement and entanglement of different countries of the world. What facilitated, inspired and engineered China's quest to embark on such monumental project? The reasons would be discussed accordingly with the intrinsic implications. President Xi stated that relationship with China's neighboring countries must be value-added and he noted clearly that they had "tremendously momentous strategic value". He further asserted:

> "Maintaining stability in China's neighborhood is the key objective of peripheral diplomacy. We must encourage and participate in the process of regional economic integration, speed up the process of building up infrastructure and connectivity. We must build the Silk Road Economic Belt and 21st Century Maritime Silk Road, creating a new regional economic order" (Xinhua News Agency, 2013).

President Xi sees China's regional stability as hinging on his ability to fully utilize its economic resources in the region. The Asian region has been one the western powers have dominated over the years, their influence can be felt in countries surrounding China and much more. Japan, Philippines, Taiwan and other Asian countries are all allies and key economic trading partners of the west. To counter such measures, the OBOR strategy offered new dynamics in this relationship. In 2015 Justin Yifu Lin, a persuasive strategy adviser and a previous chief economist at the World Bank,

argued that President Xi had propelled OBOR to counterweight US policies such as the pivot and the Trans-Pacific Partnership (TPP). He contended that China should use its financial resources including its large foreign reserves and knowledge in building infrastructure to reinforce its position in the region (Lin, 2005).

President Xi's strategy is an elaborate project, and economists have analyzed the elements of the project into six broad categories. The first essence of the OBOR strategy is policy coordination and China aims to promote intergovernmental cooperation, build a multi-level intergovernmental macro policy exchange and communication mechanism, expand shared interests, enhance mutual political trust, and reach new cooperation consensus. China believes that a harmonious world can be built through these salient attributes.

Secondly is connectivity, China's objective is to build a bridge to connect the world with its nation state. This ambitious aim is engineered on the subject of facilities connectivity. It is obligatory for China to build some international trunk passageways, and form an infrastructure network connecting all sub-regions in Asia and between Asia, Europe and Africa. This would be done step by step on the basis of valuing each other's sovereignty and security concerns. China intends to put forward port infrastructure construction, build smooth land-water transportation channels, and advance port cooperation; increase sea routes and the number of voyages, and enhance information technology cooperation in maritime logistics. Likewise, its objective of connectivity intends to improve aviation infrastructure and the security of oil and gas pipelines and other transport routes. It has proposed to build cross-border power supply networks and power-transmission routes, and create Information Silk Road. The Beijing led government wishes to build bilateral cross-border optical cable networks at a quicker pace, plan transcontinental submarine optical cable projects, and improve spatial (satellite) information passageways to expand information exchanges and cooperation. All these are the tenets of connectivity that purposes to link regions of the world through infrastructural development, transportation advancement and through modern day communication networks.

Thirdly, China has also proposed a full-fledged unobstructed trade policy which is the core basis of globalization. It wants unimpeded trade, thus Beijing aims at improving investment and trade facilitation, and remove investment and trade barriers for the creation of a sound business environment, by opening free trade areas, develop cross-border e-commerce and other modern business models and consolidate and expand conventional trade. It wants to promote cooperation in marine-product farming, deep-sea fishing, aquatic product processing, seawater desalination, marine bio pharmacy, ocean engineering technology, environmental protection industries, marine tourism and other fields. Furthermore, it intends to build all forms of

industrial parks such as overseas economic and trade cooperation zones. In addition, to construct cross-border economic cooperation zones, and promote industrial cluster development to make the Silk Road an environment-friendly one. The Beijing led government recommends it will open up its doors to companies from all countries to invest in China, and encourage Chinese enterprises to participate in infrastructure construction in other countries along the Belt and Road.

Fourthly, China has recommended financial integration that would engage its financial institutions and boost the value or usage of the renminbi as an international currency. China wants financial integration in preparation to the formation of the Asian Infrastructure Investment Bank (AIIB) and the BRICS New Development Bank (NDB). It wants to conduct negotiation among related parties on establishing the Shanghai Cooperation Organization (SCO) that is a financing institution that will be able to issue Renminbi (RMB) 3 bonds in China.

Fifthly, China intends to create people-to-people bond, in order to bring peoples still culturally far apart from one another together. Beijing has alleged to encourage extensive cultural and academic exchanges, personnel exchanges and cooperation, media cooperation, youth and women exchanges and volunteer services, so as to win public support for deepening bilateral and multilateral cooperation. For this purpose, China provides 10,000 government scholarships to the countries along the Belt and Road every year.

Sixthly, China has initiated bilateral & multilateral cooperation at regional and sub-regional level. It believes that the role of multilateral cooperation mechanisms has to be enhanced by making full use of existing mechanisms such as the Shanghai Cooperation Organization (SCO), ASEAN Plus China (10+1), Asia-Pacific Economic Cooperation (APEC), Asia-Europe Meeting (ASEM), Asia Cooperation Dialogue (ACD), Conference on Interaction and Confidence-Building Measures in Asia (CICA), China-Arab States Cooperation Forum (CASCF), China-Gulf Cooperation Council Strategic Dialogue, Greater Mekong Sub-region (GMS) Economic Cooperation, and Central Asia Regional Economic Cooperation (CAREC), the Silk Road (Dunhuang) International Culture Expo, the Silk Road International Film Festival and the Silk Road International Book Fair. Additionally, China has recommended the need for an international Summit forum on the Belt and Road Initiative (Fallon, 2015).

Antagonists of this policy have put forward a lot of arguments about this elaborate project. China has continuously reiterated the economic advantage of the project but scholars have viewed it as a project to secure China's interest of claiming a position of Asia's dominant economic and military power. They have scrutinized its blueprint and exclaimed that China faces rising labor costs, labor intensive goods that are not competitive and the exit of labor intensive industries to neighboring countries. China itself is facing an economic meltdown and therefore seeks a way out to ensure

sustainable economic growth. Over the years, China has practiced the manufacturing and the exporting of cheap goods which is now in a decline due to weak market demands, protectionism, minimal imports from emerging economies and soaring trade deficits (Du, 2016). Therefore, the aim of the OBOR initiative is multifaceted, on one hand China seeks to revive its economy by pushing out its excessive manufacturing products, exporting out its infrastructures and capital while providing development for nations around the world.

Scholars have also propelled theories of why China has involved Africa in this project. They highlighted two reasons. First, they see China inclusion of Africa in the OBOR strategy as being infrastructural inclined. They think the continent needs infrastructural development and China presumes it could assist Africa to foster growth and transfer its labor intensive industries there. This has facilitated the signing of an MOU on January 27, 2015 between China and the African Union to connect all 54 African countries through transportation infrastructure projects, including modern highways, and high speed railways. China's strategy in the continent is facilitated on the Asian giants need to boost exports, utilize its excess capacity in construction industries and stimulate the slowing economic growth that has befallen this country. Secondly, they see it as an aim to transfer China's labor intensive industries which are of manufacturing type to implement its economic restructuring and boosting (Sun, 2015).

China has engaged different African countries with the OBOR strategy and we would give brief insights to them. China has engaged Kenya by investing heavily in the country's infrastructure. While there are numerous literatures on the subject matter, there is relatively nothing about what China is gaining from Kenya in the region. It has engaged this African state through the upgrading of the Mombasa Port, building of a new ultra-modern port in Lamu, building a new standard gauge railway line linking Mombasa port, the capital Nairobi, and the land locked neighboring countries. It's also constructing railway and pipelines that is envisaged to link the ports in Kenya to oil fields in South Sudan and Uganda, while also joining with Ethiopia, Rwanda, and Burundi facilitating exports for these countries products.

In Egypt, China has invested USD 1 billion to the country for the expansion of the Suez Canal which is a transit point between the Indian Ocean and the Mediterranean Sea. While scholars have lauded this project because it would create jobs for the locals and create a new administrative capital for the nation, the control of the Suez Canal would be under the Chinese which offers new power and security dynamics for the Asian giant. In Djibouti, China is engaging 14 mega projects that is worth 9.8 billion US dollars. Its first military base at port Dolareh offers security for the Indian oceans against piracy but it also offers China a strong security

zone in which it can control through the Suez Canal which is a formidable trade route of Asia and Europe. China's global influence and advantage would grow rapidly if it can control and have access to these markets. The OBOR strategy as seen as the Chinese is a tool for promoting and increasing its Soft Power because it offers peaceful development with a commitment to peace and economic prosperity along the OBOR route. Thus, China intends to gather the trust of its neighbor's far and near through counterbalancing US hegemony and influence in all spheres of life (ZiroMwatela & Zhao, 2016).

China's infrastructure engagement with Africa is not new, but what is worrisome is the process these deals have been signed and implemented. Most of them are done with shrewd secrecy and the terms and conditions are hardly transparent. Here are some of the projects China has engaged with Africa.

Firstly, in Nigeria: China has embarked on 12 billion USD coastal railway project which intends to link the former commercial hub, Lagos with Calabar which is on the eastern part of Nigeria. This railway intends to pass through 10 states and link cities with the oil rich Niger Delta State. Secondly, it is also involved in a 4.34 billion USD Dangote Cement Plc expansion in Nigeria, Ethiopia, Kenya, Zambia, Senegal, Mali, Cameroon and Ivory Coast. It intends to help boost cement production of 25mn tonnes and taking total production to more than 70mn tonnes a year. Thirdly, in Tanzania, it's constructing Bagamoyo Port which is valued at 7 billion USD. This construction is a 20 million annual container port which would be the largest East African port. This would be linked to a railway corridor and sit next to a new industrial zone. Fourthly, in South Africa, a 7 billion USD Modderfontein New City Project is ongoing which would serve as a housing and entertainment precinct outside Johannesburg. Fifthly, in Congo DRC, China has signed a deal of 6 billion USD to develop infrastructure for mine fields in Mashamba and Dima basins and Kolwezi. Sixthly, in Chad, a railway track which would connect Chad and Sudan together is under construction and would cost around 5.6 billion USD. This is a 1,344 km railway which is constructed in three phases and would link three African countries together- Chad-Sudan-Cameroon. Seventhly, in Mozambique, it aims to provide 1,500 megawatts of power to national electricity grid, and this includes the construction of Moamba-Major Dam to supply drinking water to residents of Maputo. This project is valued at 3.1 billion USD. Eighty, in Malawi, its constructing a 300 megawatts coal powered station, reconstructing the Chileka international airport, constructing the Tsangano-Mwanza raod, upgrading the Phombeya-Makanjira-Nkhotakota-Chatloma 220 KV power line. It's also constructing the Blantyre district hospital and cancer center. All these projects are valued at 1.7 billion USD. Ninthly, in Sudan, China has constructed a 1.3 billion USD project which aims to connect Port Sudan to the country's capital, Khartoum in a 762km of railway network (Mail and Guardian, 2015). Obviously, Sino-African

engagement has been in existence even before the design and the formulation of the OBOR policy. While Africa remains a terrain for China to export its technology, extract African resources, perpetuate unethical business practices and lure reckless African governments into senile agreements, it is on this ground that the next section of the paper discuses the implication does it has for African economy.

Discussion of Findings

Firstly, Robinson uses the notion of strong states globalizing weak states. China in this perspective is seen as a strong state and its using its economy to globalize weak African states. Africa faces a huge risk by unguardedly and unrestrictedly opening up its doors to China who poses a threat to the continent. There is uneven competition made by the goods coming in from China and this eventually kills the industries of Africa. Growing manufacturing companies cannot compete with such competitive prices or bottom rock prices that Chinese firms tend to offer in the market. Chinese enterprises have often been accused of dumping practices to take over the control of markets. This certainly is obvious in the markets of Africa. A lot of textile industries and footwear industries in Nigeria has closed down due to the competitive practices of the Chinese.

Secondly, as China continues to extract raw materials from Africa, either by plundering or by manipulation of the market, it exposes Africa to the inherent dangers of global warming and animal extinction. African wood and African animals have been the core interests of Chinese economy since time inception and their continuous need for such weakens the balance of the African environment. Elephant tusks, rhinoceros horns and other valuable animal parts have been confiscated across borders going to China and coming from Africa.

Thirdly, most of the infrastructures constructed by China in Africa are either substandard, inferior or run short of specified standards and regulations. While their infrastructural facilities look fanciful and well designed the content used in the construction are very frail and subject to collapse or breaking down. Certain projects have been questioned about its durability due to the nature of materials used and the evidence of wear and tear so easily.

Fourthly, China has repeatedly said over and over that it offers Africa Zero free loans and aids. But how true is this? The fact is that there is no transparency in the agreements signed or entered with African governments and most economists worry about this. Loans are sought from China but the contracts are awarded to Chinese contractors which are government owned. Therefore, African faces what scholars have termed as a peripheral economy, a situation where capital is sought abroad at huge interest rates and conditions while the contracts are executed by the same country. Thus, the capital and the interest returns back to the control that initially financed the loan.

Fifthly, there has been a lot of complaints that the Chinese do not conform to the work regulations and practices of its host country. In Nigeria, a lot of workers face a lot of unfair and harsh work conditions. They are engaged without any form of contract and can be laid off easily. Most workers also has unhealthy work hours thereby violating the work regulations and standards. Likewise, it has been found that certain Chinese companies discriminate against its host nationals, for instance it was reported all over the media that there was a Chinese restaurant in Nigeria that refuses to offer its services to the locals.

Sixthly, China is promoting its language and culture throughout Africa, it has established the Confucius institutes all over Africa. These institutes exists to promote Chinese language and culture, likewise it offers numerous scholarships and opportunities for Africans to study and China and get exposed to Chinese education, hospitality and culture. However, in recent years, there have been arguments about the real purpose of the Confucius Institute, while albeit it facilitates people to people exchange, it also has been an entry and exist point for valuable and sensitive data of many numerous countries.

Finally, China's engagement with Africa is lopsided; often China hinges his trade with Africa on win-win situation and mutual trust. However, can this be asserted about Africa's constant relationship with China? China often tells the world it's aiding Africa to grow, but how true is this? The fact is that China needs Africa to survive and it's vice versa but the deficit Africa has in export with China is very huge while compared with the imports of Chinese goods into African economy. If African must engage China effectively through the OBOR initiative, it must strive for a balance of trade, fair practices and transparent deals.

Conclusion

China is promoting free trade with its OBOR strategy and the government has overtly advocated regional trade deals and engagements. While internationals scholars have opined that China is using the OBOR policy to assert its regional power and influence, others have proposed its aiming to achieve economic integration that would benefit China as the manufacturing and innovative center of the world. Should Africa allow free access of Chinese goods, capital and infrastructure into its economy without tariffs, conditions or regulations? These are the dynamics of the OBOR strategy for Africa. Africa is engulfed with a non-functioning manufacturing industry, crippled with a dearth of infrastructure and a porous unregulated market where goods are imported from different countries of the world, and most especially China.

How can Africa benefit from the OBOR policy strategically thus ensuring a maximum trade deal advantage with China. Firstly, African countries must have a united, strong and bold front when dealing with China. They must create institutions that are well rooted in the African union that would agitate certain tariffs that would be of benefits to these ailing nations. Secondly,

the African Union should agitate and enforce fair and ethical trade practices among nations. Ensuring trade balances and fair trade would assist Africans from the inherent trade imbalances and deficits that they might have. Thirdly, African governments should create institutions that would proffer transparent measures in their engagements with China. Chinese Foreign Direct Investment could be an approach to continually buttress Chinese soft power in the region and tactically lure nations into debt crisis. Fourthly, African nations should ensure that there is technological transfer between the two trading nations. Africans need to learn the skills and the expertise behind Chinese infrastructural development.

Lastly, Africa should anchor inward development of its economies and its societies, government should protect growing industries and manufacturers. Motivation and support should come from the central government in terms of capital and tax free concessions. African should encourage the patronage of made in Africa products by ensuring a balance of trade exists with China and other Western countries.

References

Beck, U. (2018). *What is globalization?*. John Wiley & Sons.

Cai, P. (2017). Understanding China's belt and road initiative.

Coughlin, C. C., Chrystal, K. A., & Wood, G. E. (2000). Protectionist trade policies: A survey of theory, evidence, and rationale. *International political economy: perspectives on global power and wealth*, *3*.

Du, M. M. (2016). China's "One Belt, One Road" Initiative: Context, Focus, Institutions, and Implications. *The Chinese Journal of Global Governance*, *2*(1), 30-43.

Efere, P. (2002). T*rade & Protectionism. International Business, Trans-Atlantic College,* London. Retrieved from http://www.bayelsa.org.uk/pdf/bsup-international-businesstrade-and-protectionism.pdf

Erixon, F., & Sally, R. (2010). *Trade, globalisation and emerging protectionism since the crisis* (No. 02/2010). ECIPE working paper.

Fallon, T. (2015). The new silk road: Xi Jinping's grand strategy for Eurasia. *American Foreign Policy Interests*, *37*(3), 140-147.

Fouda, R. A. N. (2012). Protectionism & Free Trade: A Country's Glory or Doom?. *International Journal of Trade, Economics and Finance*, *3*(5), 351.

Gabusi, G. (2017). "Crossing the River by Feeling the Gold: The Asian Infrastructure Investment Bank and the Financial Support to the Belt and Road Initiative". China & World Economy, Vol. 25, No. 5, pp. 23-45. doi: 10.1111/cwe.12212.

Giddens, A. (2018). Globalization. In *Sociology of Globalization* (pp. 19-26). Routledge.

Hongying, W. (2016). A Deeper Look at China's 'Going Out'Policy'. CIGI, March.

Jameson, F., & Miyoshi, M. (Eds.). (1998). *The cultures of globalization*. Duke University Press.

Justin YiFu Lin, (2015). "One Belt and One Road, Enables China to Perfect its Market Economy", in Leading Scholars from National Think Tanks and Their Insights on China's New Silk Road] (Beijing: CITIC Press), 5.

Kommerskollegium. (2016). Protectionism in the 21st Century. Stockholm: The National Board of Trade. Available at: https://www.kommerskollegium.se/globalassets/publikationer/rapporter/2016/publ-protectionism-in-the-21st-century.pdf (Accessed 10.05.2021).

Lane, J. E. (2017). *Globalization and Politics: Promises and Dangers*. Routledge.

Lash, S., & Urry, J. (1987). *The end of organized capitalism*. Univ of Wisconsin Press.

Levitt, T. (1993). The globalization of markets. *Readings in international business: a decision approach*, *249*.

Luhr, M. (2015). One Belt, One Road One Asia? Young Professionals in Foreign Policy.

Mail and Guardian. "What crisis? 16 of China's biggest projects in Africa — it's all billion dollar territory in here." 19 September 2015.

McGrew, A. (1990). A Global Society‖ in Stuart Hall, David Held, and Anthony McGrew, Modernity and Its Futures.

McMahon, J.P. and Tschetter, H. (1986). "The Declining Middle Class: A Further Analysis". Monthly Labour Review, Vol. 109

Michel, C. (2003). "The Globalization of Poverty and the New World Order". 2nd Ed. Imprint Shanty Bay, Ont: Global Outlook.

Moghadam, V. M. (2005): Globalising Women: Transnational Feminist Networks. Baltimore, M.D.: The John Hopkins University Press.

Nina, P. (2005). "Child Labour in the Global Economy". Journal of Economic Perspectives.

Ninsin, K. A. (2000). "Globalisation and the Future of Africa". AAPS Occasional Paper Series, 4(No. 1).

Nilson, T. (2010). Good for Living? On the Relationship between Globalization and Life Expectancy, World Development Vol. 38, No. 9, pp. 1191

Ortiz, R. (2016). Engaging with the emerging economies. Bridges Africa, 5(7), 6-8.

Robinson, W. (2001). Social Theory and Globalization: The Rise of a Transnational State, Theory and Society, Vol.30, No.2, pp. 157-200

Rodrik, D. (2008). One economics, many recipes: globalization, institutions, and economic growth. Princeton University Press.

Sun, Y. (2015). Inserting Africa into China's One Belt, One Road Strategy: A new opportunity for jobs and infrastructure?". *Brookings Institute*.

Swaine, M.D. (2015). Chinese Views and Commentary on the "One Belt, One Road" Initiative.

"Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road" issued by the Ministry of Foreign Affairs and the Ministry of Commerce of the People's Republic of China, March 2015.

Waters, M., (1995). Globalization. Routledge, London

Xi Jinping's Important Speech at the Peripheral Diplomacy Work Conference]", Xinhua News Agency, 25 October 2013, http://news.xinhuanet.com/politics/2013-10/25/c_117878897.htm.

ZiroMwatela, R., & Zhao, C. (2016). Africa in China's One Belt, One Road Initiative: A Critical Analysis. *ISOR Journal of Humanities and Social Sciences*, *21*, 21-34.