

China's Resource for Infrastructure (RFI) Deals in Sub-Saharan Africa: A Critical Analysis of Nigeria
and Angola

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Dedication

This research is dedicated to God Almighty and to the sweet memory of my late mother,
Raliat Abike Olajide (Nee Abudu) 1931 - 2003.

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Abstract

The aim of this thesis is to determine whether the relationship between China and sub-Saharan African nation-states, specifically Nigeria and Angola, is exploitative or collaborative through a thorough analysis of the key characteristics of resource for infrastructure deals. Resource for infrastructure (RFI) deals are agreements in which natural resources are used to pay back debts for infrastructure development. China needs of resources and markets for her ever growing economy and Africa needs of infrastructure to jump start the economy explains the rationale behind the RFI agreements between the two partners. For the fact that Africa has a long history of helping immigrants with their worldwide aspirations in the past, just as Westerners came to Africa in search of work as missionaries, businessmen, and infrastructure builders. They promised to help the continent's people escape poverty and place it on the globalization map, but all they managed to do was plunder Africa's wealth, take over one nation after another, and leave its people in terrible poverty. As a result of China's recent infrastructure investment projects on the continent, many people are concerned that this may turn out to be the case once more. Relying on qualitative analysis, the thesis adopts Complex Interdependence theory to interrogate the on-going vibrant China-Africa relations. Interdependence, mostly simply defined, means mutual dependence. Although the relationship is asymmetrical for now, in favour of China, in the long run however, it is assume that infrastructure acquired through the partnership would lead to economic development for Africa. The findings of the study reveals that China-Africa engagements through RFI is of mutual benefits and collaboration, as against the general held notion of exploitation of Africa by China. The study recommended, among others strong institutional capacity, transparency and accountability on the part of African states and leadership.

Keywords: China-Africa Relations, Development, Interdependence, Resource for Infrastructure (RFI), Westerners

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List of Acronyms

Abbreviations	Meaning
ADB	Africa Development Bank
AU	African Union
BM	Beijing Model
Bpd	Barrels per day
CADF	China Africa Development Fund
CDB	China Development Bank
CFP	Chinese Foreign Policy
CIC	Chinese Investment Corporation
CNPC	China National Petroleum Corporation
CPC	Communist Party of China
DRC	Democratic Republic of Congo
EITI	Extractive Industries Transparency Initiative
EU	European Union
EXIM	Export Import Bank of China
FNLA	National Front for the Liberation of Angola
FOCAC	Forum of China Africa Cooperation
FPA	Foreign Policy Analysis
FTA	Free Trade Area
FDI	Foreign Direct Investment
FOCAC	Forum on China-African Co-operation
OECD	The Organisation for Economic Co-operation and Development

UN	United Nations
NEPAD	New Partnership for Africa's Development
WTO	World Trade Organization
ROC	Republic of China (Taiwan)
NAFTA	North American Free Trade Agreement
ICBC	Industrial and Commercial Bank of China
IEA	International Energy Agency
IMF	International Monetary Fund
IOC	International Oil Company
IR	International Relations
MINFIN	Ministry of Finance, Angola
MINPET	Ministry of Petroleum, Angola
MITI	Ministry of International Trade and Industry
MNC	Multinational Corporation
MOF	Ministry of Finance, China
MOFA	Ministry of Foreign Affairs, China
MOFCOM	Ministry of Commerce, China
MoU	Memorandum of Understanding
MPLA	Movement for the Liberation Party of Angola (Portuguese acronym)
NDRC	National Development and Reform Commission, China
NEA	National Energy Administration, China
NEC	National Energy Commission, China
NGO	Non-governmental Organisation

NOC	National Oil Company
OPEC	Organization of Petroleum Exporting Countries
PRC	People's Republic of China
RFI	Resources-for-infrastructure
SINOPEC	China Petrochemical Corporation (Sinopec Group)
SINOSURE	China Export and Credit Insurance Corporation
SOE	State Owned Enterprise
UNCTAD	United Nations Conference on Trade and Development
UNSC	United Nations Security Council
UNITA	National Union for the Total Independence of Angola
US	United States of America
WC	Washington Consensus
WB	World Bank