



CHINESE 'DOLLAR' INFLUENCE IN AFRICA, IMPLICATION FOR TAIWAN-NIGERIA TIES

Ghazali Bello Abubakar, **Ph.D.**

Department of Political Science,
Faculty of Arts and Social Sciences,
Sokoto State University

Email: alghazel@gmail.com/ghazali.abubakar@ssu.edu.ng

Mobile: +234(0)7033164828

ABSTRACT

The dawn of the twenty-first century begun at a time when the global population rises to over 7.2 billion people out of which Asia and Africa account for more than 60 percent of the entire figure. The China's rapidly growing economy since 1970s, and the nature of exporting its end-goods to the global markets including in Africa coupled with the large investments in multiple sectors throughout the region confirm Sino-Africa mutual closeness in terms of trade pattern. This study aims at exploring how hardest the severance from Nigeria could generally affect Taiwan-Africa relations at a larger scale. It nevertheless, proposes to examine how much authentic the afterthought that democracies don't go to war, is, and whether if they go to diplomatic bust-up for economic reasons. This study concludes that the leading forces behind the Nigeria's abrupt changing attitude towards Taiwan is China's dollar policy. It also finalizes that the Afro-Taiwan political and diplomatic dancing may have so much impacts on Taiwan sovereignty at the international level.

Keyword: Taiwan-Nigeria, Africa, Diplomatic isolation, Sino-Africa, Financial Packages

BACKGROUND

The outcomes of the Chinese civil war coupled with other coincident synchronicity were among the key factors that led the Kuomintang nationalist party (KMT) retreat to Taiwan branching out from the communist government in the mainland China. In the post-Martial law Taiwan, political divisions, which started flourishing in the 1986, paved the way for internal political struggles outside the KMT for the first time in the Taiwan political history and lasted throughout the twentieth century.

Political polarization comes clear in Taiwan's internal politics; specifically after each of the two major parties (DPP and KMT) get the opportunity to administer the nation for the duration of two-term tenure between 2000 and 2016-2020 in the first round. Foreign and economic policies are often subject to fluctuation largely owing to the polarity in domestic politics especially in the developing countries, mostly the African nations, specifically on the issue of One-China Policy.

Meanwhile, the state of dilemma between Beijing's dollar in one hand and Taipei's soft landing over the cost of historical diplomacy ties, make African nations including Nigeria measure and think rationally. The traditional theory of realism assumes that power always determines the inter-nations connections in modern day global politics. Perhaps, this might be the typical scenario in Taiwan-China Nigeria pyramid relations. Nigeria, the most populous Black Country in the world, has since declared her paramount desire and candidacy for the permanent seat in the UNSC where PRC already is a member with veto power. Secondly, in 2016 the Nigeria's president, MuhammaduBuhari paid a state visit to Beijing and Chinese minister of external affairs, Wang Yi, visited Nigeria in early days of 2017. During this visit, Mr. Yi and GeoffreyOnyeama, his Nigerian

counterpart signed communiqué that re-echoed Nigeria's backing One-China policy. Mr. Yi asserted that his government is ready to invest US\$ 40 billion in Nigeria.

Besides, in some few decades ago, China has actively participated in the process of promoting peaceful Africa. It deployed her troops in Sierra Leone, Liberia, Congo, and elsewhere in Sub-Saharan Africa to maintain law and order, and to restore mutual coexisting through reciprocity and good governance. Nevertheless, in many post-conflict African nations, China has categorically showed her clear position in terms of boosting economy, rehabilitation, and other socially humanitarian concerns to the affected areas. Moreover, Beijing tries to maintain her position to grant aids to African nations. It now supports Africa to secure a permanent seat in the UN Security Council. In the last two decades or so, there were very few historical events that showed Taiwan's involvement in the region as point out by Rich and Banerjee (2015).

Simultaneously, Republic of China (ROC) and Nigeria are new emerging democracies. Despite the number of challenges, some important steps are being taken (particularly in Taiwan) to build up sustainable democratic governance and strong political institutions; Taipei suffers from diplomatic segregation yet, especially by individual African countries. Many of them closed their representative offices and in turn, demanded Taiwan to do the same. This reaffirms Abuja's stance on the prime objective of the communist China that is One-China Policy. Additionally, the Memorandum of Understanding (MOU) ratified between Nigeria and Taiwan somewhere in 1990s, which also brings trade missions of the countries into force, was reviewed in 2017 (Oshodi, 2018).

Similarly, Western countries that happened to be in soft touch with ROC have already moved toward China. Since that time, Taiwan has embarked upon a transformation and democratic transition gradually until 1996 when it has gone, for the first time, into a historic home-grown democracy through a competitive presidential poll that has taken roots ever in the history of Taiwan (Bellows, 1996).

Taiwan-Nigeria relations of almost three decades are seen under probability after Nigerian authorities demanded Taiwan to relocate back to Lagos somewhere in 2017. Many experts believe that 'economic consideration' is one of the main reasons behind this straightforward action taken by the Nigerian government.

Taiwan-Nigeria diplomatic connectivity has officially started in 1991, when Taiwan established its trade office in Lagos, the then Nigeria's Capital of Administration during a military junta of Gen. Ibrahim Babangida (rtd.). Coincidentally, Nigeria's capital was moved to Abuja at the same year, by the same regime of Babangida. The Trade Office was therein relocated to Abuja in 2001 after consecutive ten (10) years of its establishment. In January, 2017 the Taiwan-Nigeria relations seems underneath the standard level due to what is believed as under the sway of heavyweight 'Chinese Dollar'. The PRC's great campaign of 'One-China Policy' strives by all the means to overtake the twenty seven (27) years old Taiwan-Nigeria ties through juicy businesses, bilateral agreements, financial aids, projects and cultural exchange programs offered to Nigerian students, academic staff and government officials with direct impact.

METHODOLOGY

This study relied on analytical and descriptive approaches. Various books, journals and research reports were consulted as sources of information.

Current Nigeria's relations with both ROC and PRC in diplomacy, trade and investments were used. Political events including Nigeria's economic condition, combating acts of terrorism, insurgency and banditry, fighting against corruption, looting and mismanaging public resources in the country were also being followed in various websites, and the data collected has been examined, clarified and analyzed theme by theme. Qualitative data analysis that has been taken in form of words, narration or even description was intelligently being analyzed and interpreted. The relevant themes were identified on an understandable and credible way for reader.

As the study involves inter-nations connections in diplomacy, economy, trade and investments, culture and education; communiqué, documents, reports, records and other related information from the concerning ministries such as Ministry of Foreign Affairs of both Nigeria and Taiwan are collected, studied and analyzed.

English is the official language in Nigeria, and widely spoken in Taiwanese educational institutions, agencies and NGOs. This strengthened me followed up past and current events in Nigeria and collected data from various sources like books, journals and various websites. However, I used English as medium to discover much on Taiwan international relations. Mostly, this project depended on the existing primary sources and much clarification of up to date publications that gauged, which theories carry more weight and support my hypotheses and or reject them.

THEORITICAL FRAME

The rational actor model of realism theory of international relations will be the frame of analysis in this study. Justifiably, this theory is selected to guide this research because it provides that at international level of

analysis, states' leaders formalize their national objectives on priority basis. Therefore, states deal with one another; putting forward their national interests. On this ground, all of Taiwan, Nigeria and China apply and follow the same criteria. Thus, it is aptly rational for China to ask Nigeria change Taiwan office from Abuja to Lagos. Nigeria had rationally requested Taiwan to redeploy its representative office to Lagos, which has rationally been done by the Taiwan.

This type of rationality canvasses that nations ideally, calculate the possible costs and benefits that could be brought about by a particular action or behavior. In fact, this is one of the most difficult tasks in formulating foreign policy because both of the costs and benefits can be miscalculating due to the incorrectly information used.

For instance, Nigeria might calculate how much bulky benefits would be gained in siding with Chinese interests, which can also attract huge financial package, projects, and helping Nigeria in standardizing infrastructures talk-less of trade and investments in hydro-carbon, electronic equipment and other automobiles. China's domestic policy prioritizes 'One-China Policy', the policy, which gets resistance from Taiwan for tens of years and thus galvanizes anxiety from mainland China. Beijing taking step forward to freeze Taipei's capability and accelerating efforts to ensure diplomatic segregation against the island (Yu, 1999). Meanwhile, China is steadily paralyzing Taiwan through her industrial and monetary power to persuade third world African nations to consider diplomatic embargo against Taiwan.

SINO-NIGERIA RELATIONS: A HISTORICAL OVERVIEW

Five decades since when diplomatic connection was ratified for the first time between Nigeria and China, which was thus in 1971. As usual,

domestic demands and, perhaps pressures drive foreign policy of any sovereign modern nation; Nigeria and China were never exceptional. Although diplomatic ties are always meant for mutual benefits and soft landing over inevitably some cardinal issues, which often enforce themselves as lives go. But consequences are also present almost all the time. Simply because eventually, circumstantial situations do occur in an evolutionary nature. Hence, these evolutions bring about ups and downs in diplomatic relations between among different individual countries only to reflect on the way world looks like.

Historical record shows that, as in the words of Asogwa (2012) China showed interest in Nigeria years before the Nigeria's independence. This interest, which many experts believe to be a concrete reason behind the subsequent diplomatic connection, was informal. As Nigeria was under British colonialism, it was prohibited to extend any official closeness to Communist country such as China, therein. The first Sino-Nigeria formal contact came to being in 1960 when China participated in congratulatory celebration to Nigeria upon attaining independence. Nigeria and China agreed on certain principles that symbolize mutual togetherness. These principles include peaceful mutual co-existence, non-aggression commitment, and non-interference in one another's internal affairs.

NIGERIA AND TAIWAN: FROM SUN YUN-SUAN TO TRADE MISSIONS

Nigeria and Taiwan connection started as early as 1960s when the World Bank endorsed a Taiwanese scientist, Sun Yun-Suan, the then leading personality in the Taiwan Power industry, to work as CEO and General Manager of the Nigeria's Electricity Corporation between 1964 and 1967. The absolute aim was to revive the power sector in Nigeria. This attempt had later on, established trade and economic relations between Nigeria

and Republic of China (ROC). The Sun's engagement ensured additional amount of the electricity supply by around 87 percent, therein (Yueh, 2009).

However, in 1990, both Nigeria and Taiwan ratified on a Memorandum of Understanding on certain issues including trade and investments that led to the establishment of trade missions in Taipei and Lagos in April 1991 and November, 1992 respectively. Additionally, the Taiwan Consulate General was opened on August, 1993 in Calabar city of Nigeria as an attempt to help in processing Nigeria's exports. As this effort have not attracted Taiwanese investors, Taiwan terminated the agreement and closed down its office in Calabar after nearly four years (Tseng, 2008).

SINO-AFRICA AND THE QUEST FOR GOLDEN CHANCE: THE NIGERIAN PERSPECTIVE

Africa and China represent an ancient civilizations and predated historical backgrounds. The ancient Egyptian civilization, Mali, Senegal, Ghana and KanemBornu empires amongthe oldest and world largest human civilizations recorded by history. Economically and politically, China emerges to safeguard her national objectives through her connection with Africa. To satisfy these objectives, population remains one of the determinant factors targeted by the communist China. Nigeria, the populously advantageous nation with the largest black citizens in the world, seems to agree on what was seen as passive trade-by-barter with Chinese regional interest that, which itsimultaneously wants to realize many decades ago, the'One China Policy', and in reverse, Nigeria sees it a chance to seize other financial, trade and investment chances from the opportune doors opens by the Communist regime of China.

Beyond doubt, this is golden chance for both Nigeria and China, as it would lead to ensuring the China's policy get endorsed in Africa by wiping Taiwan and denouncing her diplomatic legality as in the international community. Yun Sun (2014), puts it that Africa is seen as a continent with many opportunities that compose both large population which means rising of the demands due to the lack of basic necessities, infrastructures, industries, quality education, skilled labors, and health care in one hand, and in the other, the big market that eases immediate consumption of products and end-goods. In other words, China needs Nigeria's immaturity in terms of industrialization, and of course its big population for consumption and investments which are very much important for domestic economic growth. Likewise, Nigeria desires China's products that somehow become inevitable for her to satisfy domestic needs.

Adewuyi, O and Oyejide, Ademola (2013), maintain that for the last four decades or so, Sino-Nigeria trade and investment were seen and believed by many experts to be a point of reference simply because, apart from mutual benefits and costs, they also bring about different trends regarding security and governance challenges.

Nigeria places her priority on One-China Policy, the Nigeria's Minister of Foreign Affairs, Geoffrey Onyeama was quoted by Reuters as saying:

"Taiwan will stop enjoying any privileges because it is not a country that is recognized under the international law; and under the position we have taken internationally, we recognize the people China...Taiwan will not have any diplomatic representation in Nigeria and also, they will be moving to Lagos to the extent that they function as a trade mission with skeletal staff...Chinese government does not oppose trading with Taiwan as long as there is no

formal contact with the government that will suggest recognition of Taiwan as sovereign country” (Onyeama, January, 2017)

Apart from remarkably economic gaining between the two countries, China is however, expected to support Nigeria’s vision of becoming a permanent member of the United Nations Security Council in a bid to maximize the number of permanent members of the council. This agenda coupled with the economic reasons as well as financial packages and projects that are committed to be executed by China, the Africa’s emerging power may possibly turn as the biggest gainer of Sino-Africa connection.

Veto power alone (enjoying by the currently five permanent member-countries of the Council) will ensure that Nigeria take part in different important deliberations of Intergovernmental bodies such as the United Nations, International Monetary Fund, and even International Atomic Energy Agency, which will at the same time, mean high caliber for Nigeria’s regional and international politics as well. According to Yongjian (2005), People Republic of China would always remain happy with Nigeria’s prompt response in recognizing the mainland a legitimate nation to be included in the United Nations and not Taiwan during the 26th session of the United Nations General Assembly in 1971.

Furthermore, formal and informal supports could be drawn altogether from the common similarities that may passively connect the two sovereign nations; from ethnic complexity to richness in both human and natural resources. The most important of it is the largest population each of them has. Chinese population, which is 1.4 billion determines consumption and production as well. However, Nigeria, with 204 million, emerges the populous country in Africa. Oche et al (2001) argue that one-

third of every three persons in Asia is Chinese, as one-fourth of every four persons in Africa is Nigerian. Hence, Nigeria stands in need with exporting countries such as China in order to meet her population's demands as she also needs to export for financial needs in turn. Chinese products have large market in Nigeria and Nigerian resources i.e. oil attract Chinese consumption widely.

CONCLUSION

As in other regions, China – through her multiple measures: veto power at the UNSC, rising economy, trade and investments – becomes a real threat to the Republic of China's (Taiwan) claimed sovereignty in Africa. It's palpably clear that in order to underpin her policy of unification (with Taiwan), China utilizes the Africa's notorious poorness and rampant poverty to execute this prime objective. However, financial ability of the Communist regime punishes Taiwan not only by raping small economies of Africa and Asia, but also tempts Europe and Americas as well. As far as 'One China Policy' is concerned, notwithstanding the People Republic of China is a Communist regime, the capitalism serves as 'grist to the mills' for her as it more or less, makes it easy to attract recognition from these countries simply because the economic benefit and financial gaining are high. Relatively, it would be irrationally a greater danger for an African country opposing China for the sake of Taiwan diplomacy or economic reason. In contemporary world affairs, 'might' matters much a lot than 'right' does. It could be condemnable attempt to dump a party that falls in need with your support to the one that might stand with or without you, especially when the later (i.e. China) appears aggressor against the former (i.e. Taiwan), but this is no longer determine global affairs, but one way round is the rule of the game, alternatively. Nigeria is not exceptional nation in Africa. As mentioned above; apart from China's financial

packages and projects, Nigeria is bidding for a permanent seat at the UNSC where China would have a lot to offer when the issue of maximization arises. Hence, Nigeria still needs to strengthen her already cordial relations with China far deeper than never before.

REFERENCE

Adewuyi, Adeolu O. and Oyejid T. Ademola(2013) "*Governance and Security Challenges Associated with China Nigeria Trade and Investment Relations*", in GebrehiwotBerheMulugeta and Hongwu Liu (eds.), *China-Africa Relations: Governance, Peace and Security*, Addis Ababa: Addis Ababa University.

Bellows, Thomas, J. (1996), The March 1996 Elections in the Republic of China on Taiwan, *American Journal of Chinese Studies*, 3 (2): pp.235-236

Lin, Damon and Wu, J.R. (2017), "Nigeria Trims Ties with Taiwan as it Courts China", *Reuters*, Abuja, 12 January 2017

Oche, at al., (2001), *Nigeria-China: Bilateral Ties in a New World Order*, Lagos: NIIA Publication.

Oshodi Tobi, Abdul-Gafar (2018), "Nigeria-Taiwan Row: Understanding China's influence in Africa", [Online: web] Accessed 31st May 2020 URL: <https://theasiadialogue.com/2018/01/22/nigeria-taiwan-row-understanding-chinas-influence-in-africa/>

Rich, Timothy S., and Banerjee, Vasabjit (2015), Running Out of Time? The Evolution of Taiwan's Relations in Africa, *Journal of Current Chinese Affairs*, 44 (1): pp.141-142

Sun, Yun (2014), *Africa in China's Foreign Policy*, New York: Brookings Institute

Tseng, San-shiun (2008), *The Republic of China's Foreign Policy towards Africa: The Case of ROC-RSA Relations*, Ph.D. Thesis, Johannesburg: University of the Witwatersrand

Yongjian, J., (2005), "China's Economic Development: New Opportunities for the Sino-African relations." In *speech delivered at African Institute of South Africa Seminar*, 17 May, 2005.

Yu, Taifa (1999), Relations between Taiwan and China after the Missile Crisis: Toward Reconciliation, *Pacific Affairs*, 72 (1): pp.39-40

Yueh, Jean (2009), "Sun Yun-suan: The Architect of Taiwan's Science and Technology Industry", *Taiwan Today*, 31st July 2009

© GSJ