

Chinese Political and Trade Influence in Africa and Asia Amidst Constant Competition with the United States

The discussions on regional influence and power relations in the international system cannot be ignored. At the heart of these discussions is the concept of competition — a force that drives states to secure resources, expand influence, and enhance their strategic positions. The nature of competition in the contemporary world has become increasingly multifaceted, encompassing military, economic, technological, and diplomatic dimensions. As a result, power relations within regions and across the globe are constantly shifting, creating a fluid environment – with new actors and evolving contexts.

Within this great power competition is the United States (US)-China rivalry. The race is more specifically felt in geostrategic, economic, governance, diplomacy, intelligence, and technological spheres. Most of these great power competitions emphasise the many ways that the rivalry had ripple effects across the globe, with an impact on the relations and interests of smaller powers. While these effects are considerable and important, attention must also be given to the potentials of smaller states in the grand competition for influence, particularly in shaping the futures of this great power rivalry.

This first issue of Volume 10 (2024) of the *Contemporary Chinese Political Economy and Strategic Relations: An International Journal* (CCPS) offers three select articles and one book review that delves into the Chinese influence in Africa and Central Asia and the Sino-US power competitions, specifically in Southeast Asia.

China and Africa continued to strengthen their economic cooperation through various strategic plans and initiatives within the frameworks of the Belt and Road Initiative (BRI) and the Forum on China-Africa Cooperation (FOCAC) established in 2000.¹ Over the last 20 years, China has emerged as Africa's biggest bilateral trade partner,² as it is today the biggest bilateral trade partner for many countries. Moreover, it has become the largest bilateral creditor to Africa,³ providing African countries with a new source of infrastructure, mining and energy financing (Munyati, 2024).

China's economic growth has increased its need for raw materials, particularly industrial metals, and fuels (*ibid.*). China's share of the total sub-Saharan external public debt was less than two per cent before 2005 but grew to about 17 per cent, or USD 134 billion, by 2021 (International Monetary Fund, 2023). Chinese foreign direct investment (FDI) likewise increased significantly over the last two decades. In 2003, the annual FDI flow from China to Africa⁴ was approximately USD 75 million. It peaked at USD 5 billion in 2022, representing about 4.4 per cent of the region's total FDI.

Outside of these trade and economic engagements between China and Africa, Afa'anwi Ma'abo Che's paper titled "[Chinese Aid: Powering Africa and Mitigating Electricity-related Demonstrations](#)," provides an empirical basis for cautioning against radical reforms on Beijing's non-interference foreign aid policy similar to that of the Western conditions. He also argued that tying political strings to Chinese official finance could precariously increase risks of anti-government demonstrations and social instability owing to constraints in infrastructure financing in many African states.

BRI also plays a central role in facilitating Chinese exports through developing road infrastructure and transit networks in Kyrgyzstan and Tajikistan.⁵ China's trade engagements in the region poured economic benefits to Kyrgyzstan and Tajikistan that, logically, have allowed China to expand its sphere of influence and increase the presence of its soft power in the region. Accordingly, Iman Bastanifar, Kashif Hasan Khan, and Abdulmelik Alkan have emphasised the importance of enhancing trade with China for Kyrgyzstan. They propose that establishing bilateral trade agreements, particularly through swap agreements, could stabilise Kyrgyzstan's exchange rate and shield its economy from currency fluctuations and global economic shocks. They argued that this strategy may lead to greater inflation control and improved economic stability for Kyrgyzstan. Moreover, in their study titled "[The Role of Chinese Trade in the Economic Stability of Kyrgyzstan and Tajikistan](#)," they highlighted how trade dynamics between China and Tajikistan can influence Kyrgyzstan's inflation rate, unemployment, and private and public debt levels, ultimately contributing to its economic stability.

Strategic competition has become the new paradigm of Sino-US relations. During the Trump administration, the US has described China, as a revisionist state and a strategic competitor⁶ which was viewed by Chinese scholars as the turning point in its China strategy. China, now, has become a key player in the future of Southeast Asia. Southeast Asians recognise China's burgeoning influence in the

region, but there are nuances to the geopolitical dynamics. It has intensified diplomatic efforts within the region, both through ASEAN and bilaterally, have yielded significant dividends. This is evident in the latest findings from the State of Southeast Asia 2024 survey. The findings of the survey underscore a notable surge in China's influence across Southeast Asia, with a growing number of regional respondents recognising its expanding role in the region.⁷ The Biden administration, earlier in 2022 through The National Security Strategy of 2022, described China as “the only competitor with both the intent to reshape the international order and, increasingly, has the economic, diplomatic, military, and technological power to do it.”⁸

China's economic growth has transformed the country's role in the international system and consequently in one of its areas of greatest interest, Southeast Asia. In recent years, relations between China and the Southeast Asian countries have improved considerably. Thus, China strategically aims to safeguard its economic, political, and security interests in the region to strengthen its position in the international system. However, there is a lingering distrust on the Asian giant fuelled by its diplomatic influence in several Southeast Asian countries and its growing military might, visible in its assertive actions in the South China Sea (Pérez, 2023).

Given Southeast Asia's pivotal role in global trade and economic growth, standing as one of the most dynamic and strategically significant regions in the world, Brice Tseen Fu Lee, Salman Ali Bettani, Juan Pablo Sims, and Yun-Tso Lee used the Kingmaker Theory to look into Southeast Asia's unique position as a pivotal influencer in the US-China rivalry in their paper titled “*Southeast Asia as a Latent Kingmaker in the US-China Rivalry*”. They believe that Southeast Asia can play a significant role in shaping the broader balance of power within the US-China rivalry.

Lastly, related to the discussions of Lee et al. on the US-China rivalry, Brainard B. Abunyanawan reviewed the book edited by Kari Roberts and Saira Bano titled “*The Ascendancy of Regional Powers in Contemporary US-China Relations: Rethinking the Great Power Rivalry*” that focuses on the power competitions, specifically the interplay between the great and smaller powers or regional actors, and attempts to measure the extent to which the latter influence the US-China rivalry.

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1. As prescribed in the Program for China-Africa Cooperation in Economic and Social Development, adopted at the 2000 Ministerial Conference of FOCAC, China and Africa agreed to set up joint follow-up mechanisms to conduct regular evaluations on the implementation of the follow-up actions. In July 2001, a FOCAC ministerial consultation meeting was held in Lusaka, capital of Zambia, at which the Procedures for Follow-up Mechanisms of FOCAC were deliberated and adopted. The follow-up mechanisms officially took effect in April 2002. < http://www.focac.org/eng/ltjj_3/ltjz/ >
2. Around 20 per cent of the region's exports now go to China and about 16 per cent of Africa's imports come from China, according to the International Monetary Fund (IMF). This amounted to a record USD 282 billion in total trade volume in 2023. Primary commodities — metals, mineral products and fuel — represent about three fifths of Africa's exports to China, while it typically imports Chinese manufactured goods, electronics and machinery (Munyati, 2024).
3. According to estimates provided by the SAIS China Africa Research Initiative, Chinese credits to Africa amounted to USD 148 billion in 2019. Of this, USD 44 billion (29.7 percent) is allocated to investments in infrastructure, USD 36 billion to energy, and USD 18 billion to mining and extraction (Stein & Uddhammar, 2021).
4. Flows surged from USD 75 million in 2003 to USD 5 billion in 2021, then dropped to USD 1.8 billion in 2022. They peaked in 2008 at USD 5.5 billion due to the purchase of 20 per cent of the shares in Standard Bank of South Africa by the Industrial and Commercial Bank of China (China Africa Research Initiative, 2024).
5. A substantial network of roads, railways, air flights, communication, and oil and gas pipelines connects China to Central Asia. (As mentioned by H.E. Wen Jiabao, Premier of the State Council of the People's Republic of China at the Opening Session of the Second China-Eurasia Expo at the China-Eurasia Economic Development Forum, Urumqi, 2nd September 2012).
6. The White House (18th December 2017). *National Security Strategy of the United States of America*. <<https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>>; The U.S. department of defense. (19th January 2018). *Summary of the*

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7. ISEAS (2nd April 2024). *The State of Southeast Asia: 2024 Survey Report*. <<https://www.iseas.edu.sg/centres/asean-studies-centre/state-of-southeast-asia-survey/the-state-of-southeast-asia-2024-survey-report/>>
 8. The White House. (12th October 2022). *National security strategy*. <<https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf>>

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