

# The Mashariki Today

## 60 Years of Kenya-China Diplomacy: A Commentary on Evolving Relations

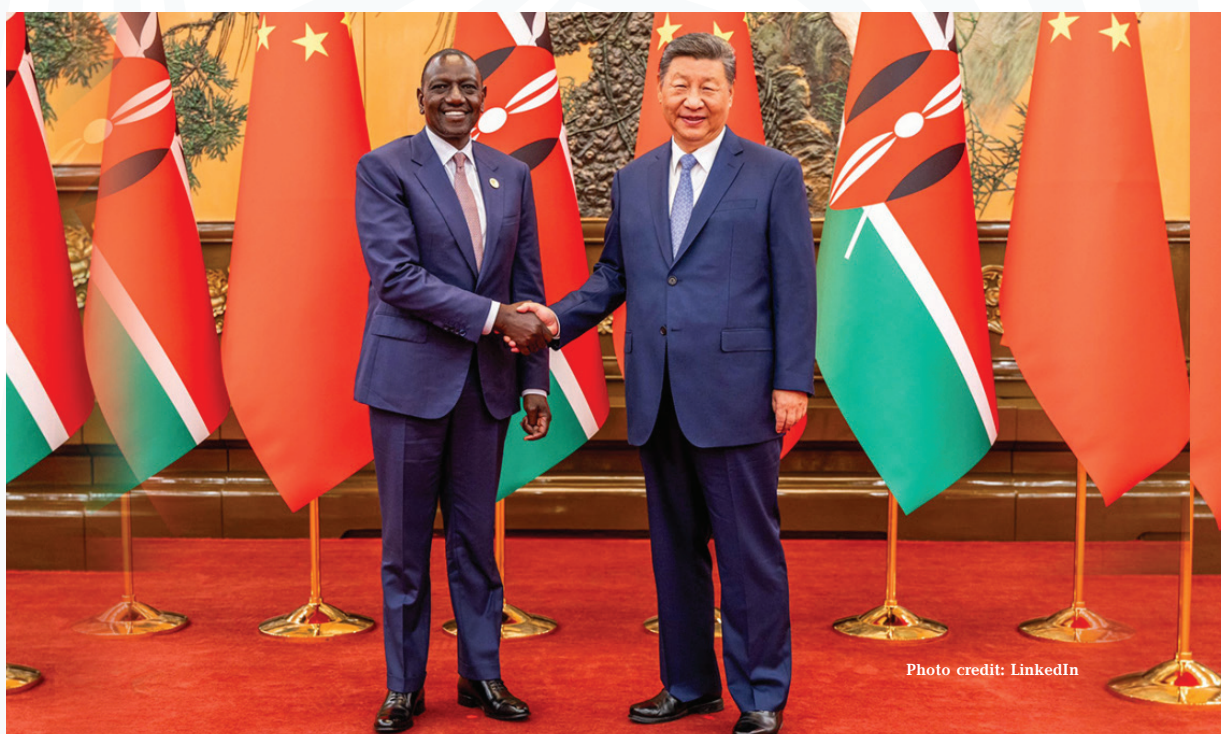


Photo credit: LinkedIn

**Dr John Mwangi ~ Head of Research, MRPC**

### Introduction

Since the Cold War (1947-1991), the diplomatic relations between China and Kenya, established in 1963—the year Kenya gained independence—have undergone significant transformation. What began as a purely political relationship has evolved into a multifaceted partnership encompassing trade, economic development, education, and political alignment, particularly regarding the One China Policy. This policy asserts that there is only one legitimate government of China, recognizing the People's Republic of China (PRC) and viewing Taiwan as part of its territory. A review of this relationship would hence depict a complex balancing act of benefits, contradictions, and future prospects that are best subjected to careful weighing.

The establishment of diplomatic relations between Kenya and China post Kenya's independence was thus based on mutual interests. Ideological solidarity characterized the start of this period, with the willingness of China to extend support to meet the developmental needs of Kenya.<sup>1</sup> A very good example of this is the Kenya-Tanzania railway built between 1970 and 1975 which was

considered a key step toward regional connectivity and reducing reliance upon Western powers.<sup>2</sup> This was in line with broader trends within Africa, where many countries began looking for alternatives to Western influence during the Cold War. China positioned itself as a supporter of both liberation and development from the Global South, cultivating a sense of partnership based on shared aspirations of economic independence and growth.<sup>3</sup>

This commentary seeks to discuss several key issues pertaining to this evolving relationship. These include climate change and environmental collaborations, the changing dynamics of trade, economic impacts of Chinese funded infrastructure projects, educational and cultural exchange, and political dimensions. It will also explore the concerns of financial dependence and sovereignty, future prospects as well as provide policy recommendations for navigating Kenya-China relations.



### Key Issues

#### Climate Change and Environmental Matters

Foremost, as Kenya prepares to serve as the Chief Negotiator for the African Group at the COP 29 in Baku,<sup>4</sup> there are significant opportunities for cooperation with China on climate change and environmental matters. Given China's experience and investment in renewable energy and sustainable development, Kenya can engage in collaborative projects focused on clean technology, afforestation, and climate resilience. Initiatives could include joint ventures in solar and wind energy, where Chinese companies can share expertise and resources to help Kenya transition

<sup>1</sup>Kenya – China Bilateral Foreign Relations: 1963-2012. Retrieved from: <http://erepository.uonbi.ac.ke/handle/11295/59591>

<sup>2</sup>An Unforgettable Journey on East Africa's Chinese-Built Railways, Old and New. China Global South Project, 2023. Retrieved from: <https://chinaglobalsouth.com/analysis/an-unforgettable-journey-on-east-africas-chinese-built-railways-old-and-new/>

<sup>3</sup>An Unforgettable Journey on East Africa's Chinese-Built Railways, Old and New. China Global South Project, 2023. Retrieved from: <https://chinaglobalsouth.com/analysis/an-unforgettable-journey-on-east-africas-chinese-built-railways-old-and-new/>

<sup>4</sup>Kenya To Champion Africa's Climate Priorities at COP29. Capital News, 2024. Retrieved from: <https://www.capitalfm.co.ke/news/2024/09/kenya-to-champion-africas-climate-priorities-at-cop29/#:~:text=ABIDJAN%2C%20Ivory%20Coast%20Sep%207,and%20finalizing%20carbon%20market%20regulations.>

to a greener economy. Additionally, as both countries face the impacts of climate change, partnerships in research, capacity building, and technology transfer can strengthen Kenya's position in international negotiations while aligning with China's commitment to global climate action. This cooperation could further enhance Kenya's leadership role on the African continent, fostering a united front on climate issues and advocating for sustainable development practices.



## Evolving Trade Dynamics

Trade dynamics between the two countries have changed significantly over the years. Trade has been growing exponentially since the late 1970s, sprouting from a very modest beginning to the Sino-African trade framework. By the 1980s, Kenya was exporting agricultural commodities like tea and coffee to China while importing machinery and consumer goods, as shown below<sup>5</sup>.

### Appendix III: Kenyan Trade with China, 1964–1976 (K £'000)

**Table 3** Kenyan Trade with China, 1964–1976 (K £'000) (Source: Statistical Abstract (1967, 1977, 1979, 1981), Central Bureau of Statistics, Ministry of Economic Planning and Development, Kenya.)

Year	Net imports	Exports and re-exports	Visible balance
1964	696	394	- 302
1965	954	633	- 321
1966	1,944	931	- 1,013
1967	876	1,092	+ 216
1968	1,592	437	- 1,155
1969	1,151	477	- 674
1970	1,213	619	- 594
1971	1,435	876	- 559
1972	1,219	1,618	399
1973	1,677	3,070	1,393
1974	4,627	1,785	- 2,842
1975	1,471	1,395	-76
1976	3,055	413	- 2,642
1977	5,814	1,460	- 4,354
1978	5,103	2,702	- 2,401
1979	4,804	1,959	- 2,845
1980	7,608	1,956	- 5,652

**Table 1.** Kenyan Trade with China, 1964–1976 (K £'000) (Source: Statistical Abstract (1967, 1977, 1979, 1981), Central Bureau of Statistics, Ministry of Economic Planning and Development, Kenya.)  
Source: 2023, Boydell and Brewer

This reflected the needs of Kenya as a developing economy and the potential by China to avail its goods at cheap prices apart from technical assistance. Fast forward some decades, and trade between Kenya and China has grown massively. China has emerged in recent years as Kenya's largest trading partner.<sup>6</sup> In 2023, the bilateral trade reached an estimated USD 7.9 billion, underlining the breadth of their economic cooperation.<sup>7</sup>

The China Belt Road Initiative (BRI), which commenced in 2013,<sup>8</sup> further cemented such trade relations. Especially the Standard Gauge Railway, this was one of the major infrastructural projects that connected Nairobi with the port city of Mombasa.<sup>9</sup> The SGR has acted not only as a very important transportation artery, improving the efficiency of goods movement internally, but also opened up new routes within East Africa. This project epitomizes how Chinese investment in infrastructure can make trade efficiency better, indeed a vital component of Kenya's long-term development strategy. While the rising trade has brought in economic growth, there have also been signs of alarm in terms of trade imbalances and over-reliance on Chinese imports. The challenge for policy thinkers is not only to question the sustainability of this partnership but also seek ways to enhance local industries and reduce dependence on foreign goods. This has raised debates on the need for Kenya to move from being an exporter of mainly raw commodities from China to agro-processing to have value addition and proper trade balances.<sup>10</sup>

Kenya's relations with China are notably robust compared to many other African nations, positioning it as a key partner within the Sino-African framework. While countries like Ethiopia and South Africa also enjoy significant Chinese investments, Kenya stands out due to its strategic geographic location and its status as a gateway for trade within East Africa. In 2023, bilateral trade between Kenya and China reached approximately USD 7.9 billion,<sup>11</sup> reflecting a deep economic engagement that is on par with or exceeds that of several other African countries. Furthermore, Kenya's involvement in major infrastructure projects under the Belt and Road Initiative, such as the Standard Gauge Railway, illustrates a level of partnership that is particularly advanced. This strong relationship has implications for Kenya's geopolitical influence in the region, allowing it to leverage its ties with China to enhance its development agenda while navigating the complexities of its relations with Western nations.



Photo credit: China Daily

<sup>5</sup>Economic relations between Kenya and China 1963-2007. Retrieved from: [https://csis-website-prod.s3.amazonaws.com/s3fs-public/legacy\\_files/files/media/csis/pubs/080603\\_chege\\_kenyachina.pdf](https://csis-website-prod.s3.amazonaws.com/s3fs-public/legacy_files/files/media/csis/pubs/080603_chege_kenyachina.pdf)

<sup>6</sup>Kenya turns to China for more investments, trade. The Star, 2024. Retrieved from: <https://www.the-star.co.ke/business/kenya/2024-05-10-kenya-turns-to-china-for-more-investments-trade>

<sup>7</sup>Kenya turns to China for more investments and trade. The Star, 2024. Retrieved from: <https://www.the-star.co.ke/business/kenya/2024-05-10-kenya-turns-to-china-for-more-investments-trade>



### Economic Impact

The economic impact of these infrastructural projects is transformational and the involvement of the Chinese has been a driver of development. Various projects have enhanced transport systems and triggered economic activities, for instance, the Nairobi Expressway, funded by Chinese firms, which cuts travel time and improves mobility within the city. On the flip side, this reliance on Chinese financing comes with risks. Public discussion is often framed by the specter of "debt traps" in which heavy borrowing undermines national economic sovereignty<sup>12</sup>. Critics caution that this debt level is only translated into a high level of burdening, arguing that foreign debt must be openly managed and investments aligned with the country's sustainable development goals.

### Education and Cultural Exchange

Education exchanges are also a key component in the relationship between China and Kenya. Confucius Institutes were set up in Kenya in 2005<sup>13</sup> with the purpose of transferring knowledge between the two nations and helping in cultural understanding, transferring both the Chinese language and cultural aspects.<sup>14</sup> Scholarship opportunities in China have availed Kenyan students with a chance for higher learning, enabling a new generation with skills needed at the forefront of innovation and development within the local environment, specifically in fields such as construction and engineering. The long-term implications of these educational initiatives are immense; a cadre of Kenyan leaders schooled in China can increase collaboration across many sectors. It is, however, pertinent to ensure that the said skills are utilized for the development of the local industries and not for the advancement of interests of the foreign companies.

<sup>8</sup>China's Belt and Road Initiative turns 10. Here's what to know. World Economic Forum, 2023. Retrieved from: <https://www.weforum.org/agenda/2023/11/china-belt-road-initiative-trade-bri-silk-road/#:~:text=China%20officially%20announced%20the%20Belt,countries%20and%2030%20international%20organizations>.

<sup>9</sup>BRI In My Eyes | Belt and Road Initiative in Kenya. Belt and Road Portal. Retrieved from: <https://eng.yidaiyilu.gov.cn/p/0Q6ETRIH.html>

<sup>10</sup>China-Kenya relations: Economic benefits set against regional risks, 2022. Retrieved from: <https://merics.org/en/china-kenya-relations-economic-benefits-set-against-regional-risks>



## Political Dimensions

Equally significant are the political dimensions of the China-Kenya relationship. The Kenyan government has time and again reiterated their support for the One China Policy,<sup>15</sup> a position that has been the hallmark of its diplomatic interaction with China. This acknowledgment of China's territorial integrity-especially regarding Taiwan and Tibet-has paved the way for Kenya to receive crucial investment and development aid from Beijing. The resultant political positioning is expansive, not only in Kenya's exposure to Chinese resources but also falling squarely within Beijing's greater geopolitical game. For instance, its support at various international forums, where it often votes in support of China's positions, has become very important.<sup>16</sup> This was an alignment that evoked questions over Kenya's geopolitical positioning and her relations with the West. With China's influence expanding across Africa, Kenya is bound to carefully navigate these complexities if it is to have its national interests upheld. While Kenya has been recognized by the U.S. as a Major non-NATO Ally,<sup>17</sup> which provides certain military and economic benefits, its deepening partnership with China may lead to tensions with Western powers that view China's influence with skepticism. This duality presents a complex landscape for Kenya, as it seeks to leverage investments and development aid from China while maintaining favorable relations with the West.

## Challenges and Contradictions

While this developing partnership seems beneficial, there is a contradiction in terms of various challenges. Dependence on Chinese loans raises concerns regarding financial sustainability and loss of national sovereignty. This does raise concerns with critics that this would somehow restrain Kenya's bargaining chip in the future and is detrimental to its economic

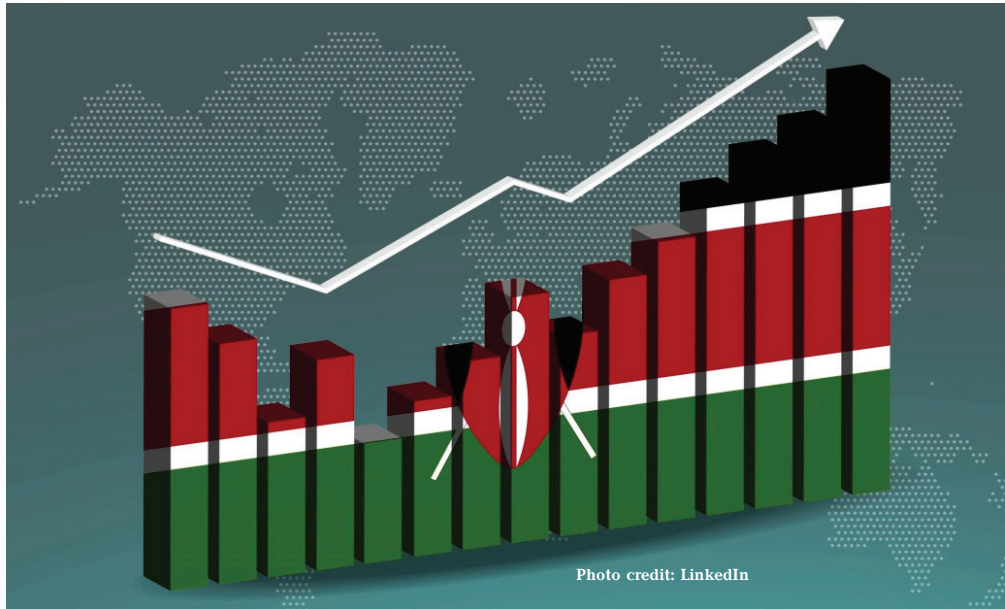
<sup>10</sup>China-Kenya relations: Economic benefits set against regional risks, 2022. Retrieved from: <https://merics.org/en/china-kenya-relations-economic-benefits-set-against-regional-risks>

<sup>11</sup>Trade Economics, 2023. Retrieved from: <https://tradingeconomics.com/china/exports/kenya>

<sup>12</sup>Kenya's debt struggles go far deeper than Chinese loans. Chatham House, 2023. Retrieved from: <https://www.chathamhouse.org/2023/05/kenyas-debt-struggles-go-far-deeper-chinese-loans>

<sup>13</sup>About Confucius Institute, University of Nairobi. Retrieved from: <https://confucius.uonbi.ac.ke/basic-page/about-confucius-institute#:~:text=Historical%20Back%20Ground&text=Confucius%20Institute%20is%20an%20education,%2C%20the%2019th%20December%2C%202005.>

sovereignty. Besides, the entry of Chinese firms in industries such as construction,<sup>18</sup> has raised concerns on the local citizens' employment and exploitation of the environment. There have been complaints over labor unrest and environmental decay from different projects involving the Chinese that raise public outcry for greater scrutiny. Addressing these concerns becomes paramount if the partnership has to remain fair and a no-lose situation for both nations, with the capacity to nurture an atmosphere of mutual respect and coexistence.



### Conclusion

In the future, China-Kenya relationship will need to be strategic in nature and aimed at benefiting both parties. The policy framers have to give priority attention to devising mechanisms to ensure that Chinese investments are supported in Kenya's long-term developmental goals with emphasis on sustainability and local empowerment. While the consolidation of relations with China is imperative, Kenya must equally be proactive in diversifying its international partnerships. The deepening of diplomatic and economic relations with other countries, including Western nations and emerging economies, will further strengthen the position of Kenya in the international arena and reduce risks associated with overdependence on one partner.

### Recommendations

From the discussion, some broad policy recommendations arise which could help Kenya navigate the complexities of this evolving relationship. They include:

- a) Regular review of the two-way trading dynamics should be institutionally installed. This will serve to ensure protection of Kenya's economic interests while supporting the development of the local industries.
- b) Kenya should improve its debt management strategies by developing transparent frameworks regarding foreign debt. This should be done with a priority on sustainable borrowing practices and focusing loans on projects with long-term economic viability.
- c) Kenya should enhance local capacity building through measures that will make sure that Chinese firms operating in the country give first preference to hiring and training locally. This way, Kenyan citizens will directly benefit from the foreign investments and feel as part of the economic landscape.

- e) As engagement with China deepens, Kenya should further its policy of diversification of international partners, which will raise its bargaining strength and reduce dependency on any one partner.
- f) Finally, strict environmental protections must be put into place. Every foreign investment should be at high environmental standards that preserve Kenya's natural resources for future generations.

When implemented, these recommendations are going to be helpful for Kenya to navigate through the various complications of this relationship between Kenya and China, thereby making it a partnership that ascertains benefits in line with the long-term development aspirations of Kenya. The way ahead is fraught with opportunities and challenges; where Kenya stands to harness its relationship with China to spur sustainable growth and development through active engagement and sober policymaking.

<sup>14</sup>China's Confucius Institute in Africa: a different story? Retrieved from: [https://www.researchgate.net/publication/376230161\\_China's\\_Confucius\\_Institute\\_in\\_Africa\\_a\\_different\\_story](https://www.researchgate.net/publication/376230161_China's_Confucius_Institute_in_Africa_a_different_story)

<sup>15</sup>Kenya Reiterates One-China Policy. The East African, 2024. Retrieved from: <https://www.theeast.african.co.ke/tea/news/east-africa/kenya-reiterates-one-china-policy-4503164>

<sup>16</sup>Kenya affirms support for one-China principle, dismisses breakaway Taiwan. The Star, 2024. Retrieved from: <https://www.the-star.co.ke/news/2024-05-20-kenya-affirms-support-for-one-china-principle-dismisses-breakaway-taiwan>

<sup>17</sup>Kenya Defense Designation of Kenya as a major Non-NATO U.S Ally (MNNA). Retrieved from: [https://www.trade.gov/market-intelligence/kenya-defense-designation-kenya-major-non-nato-us-ally-mnna#:~:text=Development%20and%20Investment-,Kenya%20Defense%20Designation%20of%20Kenya%20as%20a%20major%20Non%20NATO,\)%20U.S.%20ally%20\(MNNA\).](https://www.trade.gov/market-intelligence/kenya-defense-designation-kenya-major-non-nato-us-ally-mnna#:~:text=Development%20and%20Investment-,Kenya%20Defense%20Designation%20of%20Kenya%20as%20a%20major%20Non%20NATO,)%20U.S.%20ally%20(MNNA).)

<sup>18</sup>Chinese firm opens eco-friendly roofing factory in Kenya. People One Daily, 2024. Retrieved from: <http://en.people.cn/n3/2024/0619/c90000-20182960.html>



Address: P O Box 650 - 00621, Nairobi

Phone: +254 734 088 233 | 0114 088 233

Email: [info@masharikirpc.org](mailto:info@masharikirpc.org)

[www.masharikirpc.org](http://www.masharikirpc.org)