

The Implications of China's Foreign Funding in Africa for the US: A Literature Review

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Introduction

China's increasing financial presence in Africa, particularly through its Belt and Road Initiative (BRI), is reshaping the continent's economic and political landscape. Over the past two decades, China has positioned itself as a key development partner in Africa, investing heavily in infrastructure, trade, and resource development. As a result, African nations are forming closer economic and diplomatic ties with Beijing, a trend that has significant implications for the United States. Traditionally, the US has played a central role in African development, using foreign aid, trade partnerships, and cultural diplomacy to foster relationships and exert influence. However, China's expanding footprint in Africa, coupled with the recent shutdown of the United States Agency for International Development (USAID), challenges this position, creating a need to reassess US strategies in the region. Given this context, a crucial question arises: How does China's growing foreign investment in Africa affect US geopolitical influence, economic interests, and strategic positioning on the continent?

The urgency of this topic stems from the broader geopolitical context of US-China rivalry and Africa's growing importance on the global stage. As African nations increasingly turn to China for investment and development assistance, the US faces the risk of diminished soft power, weakened economic ties, and reduced strategic influence, which could have long-term consequences for its global leadership. This shift in Africa's economic and diplomatic alliances demands immediate attention, as it has significant implications not only for US foreign policy but also for the broader balance of power in global affairs. Addressing these challenges requires a clear understanding of how China's foreign funding in Africa affects US interests and what steps might be taken to respond.

This literature review synthesizes existing research on the implications of China's foreign funding in Africa for US soft power, foreign policy, and geopolitical influence. It argues that while much of the current literature focuses on China's economic impact, there is insufficient exploration of the resulting strategic shifts in US policy and its broader geopolitical consequences. The goal is not only to provide an overview of current scholarly points of view but also to identify gaps in the existing research, such as the limited exploration of US responses and strategic implications. By organizing the literature into key themes, loss of US soft power, changes in diplomatic relations, economic competition, and strategic consequences, this review aims to present a nuanced understanding of the topic and suggest areas for future research that could inform US policy and strategy in the region.

Methodology

To ensure a comprehensive understanding of the implications of China's foreign funding in Africa for US interests, a systematic approach was employed to identify, select, and review relevant literature. The process involved several key steps:

Databases and Search Terms

The primary databases used for sourcing materials were JSTOR, Google Scholar, and the George Mason University Library database. These platforms were selected for their extensive repository of peer-reviewed articles, reports, and credible sources pertinent to international relations and geopolitical studies. The search terms included:

- "China foreign funding Africa"
- "Belt and Road Initiative"

- “US foreign policy in Africa”
- “Geopolitical competition in Africa”
- “China soft power Africa”

Boolean operators were employed to refine the search. For example, searches combined terms such as "China AND Africa AND funding" or "Belt and Road OR infrastructure investment AND Africa." This approach ensured a balance between specificity and scope.

Source Evaluation

While using Google Scholar, additional steps were taken to evaluate source credibility. Each source was reviewed for indicators of academic rigor, including peer-review status, the reputation of the publishing journal, the credentials of the authors, and citation frequency. Sources that did not meet these standards were excluded to maintain the credibility of the literature review.

Inclusion and Exclusion Criteria

The following criteria guided the selection of sources:

- **Inclusion:** Peer-reviewed journal articles, policy briefs, government reports, and credible news sources published within the last 15 years to maintain relevance and contemporary applicability.
- **Exclusion:** Articles that lacked academic rigor, were anecdotal in nature, or did not directly address the relationship between Chinese activities in Africa and their implications for the US.

Limitations

No explicit year restrictions were applied during the initial search to ensure the capture of foundational and recent sources. However, to ensure relevance, emphasis was placed on literature published within the past 15 years, with Joseph Nye's (1990) work regarding the concept of soft power being an exception. This focus reflects the evolving nature of China's engagement in Africa and its implications for US policy.

Selection Process

The initial search yielded over 63 sources. Titles and abstracts were screened to assess their relevance to the research question. Based on their alignment with the study's focus, approximately 38 sources were selected for closer examination. These were further narrowed down to 20 high-quality sources that provided detailed insights into key themes, including economic competition, diplomatic shifts, and strategic implications.

Representation of Current Knowledge

The selected sources represent a diverse range of perspectives, including:

- Scholarly articles analyzing China's Belt and Road Initiative and its impact on African economies.
- Reports from global think tanks and policy institutions discussing US-China competition in Africa.
- African perspectives on foreign investment and development assistance.
- Mainly US-based policy analysis, however some Chinese-based to account for different perspectives on the matter.

By incorporating these varied viewpoints, the literature review seeks to present a nuanced and balanced overview of the topic. The chosen sources collectively reflect the current state of knowledge and debates within the field, providing a robust foundation for identifying research gaps and policy implications.

This methodology ensures that the review captures both the breadth and depth of the existing scholarship, facilitating a comprehensive analysis of how China's foreign funding in Africa challenges US geopolitical, economic, and cultural influence.

Review of the Literature

Loss of US Soft Power and Public Favorability

Many scholars highlight how China's development model and proactive engagement in Africa are reshaping African public perceptions of global powers. Nye's concept of soft power (1990) emphasizes the ability of a nation to attract and influence others through appeal rather than coercion, crucial to understanding the significance of the US and China's exertion of soft power in the region. Historically, the US has leveraged its soft power in Africa through humanitarian aid, cultural diplomacy, and the promotion of democratic ideals. However, China's rise has introduced a competing model that emphasizes tangible economic benefits and non-conditional aid, which many African nations find more pragmatic and appealing. Brand Finance's *Global Soft Power Index* (2024) illustrates this shift, showing that while the US remains globally dominant in soft power, China is rapidly gaining influence in Africa.

This perception shift is further supported by Vigers (2025), who reports a notable decline in African public favorability toward the US, in part due to reductions in aid and engagement. Da Silva (2025) and the *South China Morning Post* (2025) suggest that the closure of USAID

programs has created a vacuum that China has adeptly filled, positioning itself as a more reliable and pragmatic development partner. Kyobutungi et al. (2025) argue that China's aid is perceived as less politically conditional and more aligned with local development priorities, further enhancing its attractiveness. Similarly, from the *Italian Journal of International Affairs*, Regilme and Hodzi (2021) note that African recipients of Chinese aid often view it more favorably than US aid, which is frequently tied to governance reforms or human rights conditions. Additionally, Regilme and Hodzi (2021) uniquely foreground African recipients' perspectives, offering qualitative insight into how conditionality shapes the perceived legitimacy of Western versus Chinese aid.

These developments highlight a critical challenge for the US. While Nye's framework (1990) suggests that soft power relies on mutual attraction and shared values, African nations are increasingly prioritizing tangible outcomes over ideological alignment. This trend signals that the traditional tools of US soft power may lose relevance unless they are recalibrated to align with African priorities. Further research could explore how the US might adapt its soft power strategy, leveraging tools such as educational exchanges, media initiatives, or technology partnerships to regain influence in the region.

Economic Displacement and Strategic Competition

China's economic expansion in Africa is reshaping the region's development landscape, and this shift is increasingly affecting the US's ability to compete in emerging African markets. Brautigam (2011) provides a comprehensive look at China's financing strategy in Africa, emphasizing its long-term approach to infrastructure and natural resource development. This strategy not only bolsters Chinese domestic growth but also extends its economic influence, especially through the Belt and Road Initiative (BRI). Johnston (2018) argues that the BRI plays

a dual role: facilitating Chinese economic growth while simultaneously expanding China's global economic footprint. Komakech and Ombati (2023) illustrate this with examples from Kenya and Ethiopia, where Chinese-funded infrastructure projects have fostered deeper economic ties, potentially displacing US influence in key sectors such as construction, transportation, and telecommunications. Furthermore, Komakech and Ombati (2023) offer a comparative lens across five African nations, highlighting how Chinese infrastructure investment shapes local economic ecosystems, an approach that adds grounded regional insight to broader macroeconomic studies.

As China positions itself as a reliable and pragmatic development partner, US businesses and development models face mounting competition. Stremlau (2017), writer for the *South African Institute of International Affairs*, adds that China's early investments in Africa, particularly in the post-Cold War era, laid the groundwork for its current dominance, challenging US efforts to maintain influence in the region. This economic rivalry extends beyond infrastructure to areas such as technology and trade, where China is positioning itself as a leader. The growing dominance of China in Africa is making it harder for US businesses to compete on equal terms, with China often offering more favorable terms for investment and development. However, the shift towards Chinese models also raises concerns about sustainability and debt dependency, an area where the US could potentially regain leverage by promoting more transparent and sustainable development practices.

Geopolitical Realignment and Diplomatic Relations

China's presence in Africa is not just an economic phenomenon; it is also altering the region's geopolitical dynamics. Sun (2014) explains how Africa plays a key role in China's broader foreign policy, with the continent serving as a critical partner in Beijing's strategy for

global influence. Sun (2014) lays the conceptual groundwork for understanding Africa as a pivot in China's foreign policy architecture, while Gonnella-Platts and Cazier (2022) build on this by tracing how that policy translates into institutional influence, especially in the UN. Additionally, Gonnella-Platts and Cazier (2022) argue that China's increasing investment in African countries is not just about economic development but is also a strategic move to secure political influence, particularly in international institutions like the United Nations. By building strong diplomatic and trade relations with African nations, China is positioning itself as a counterbalance to Western power, often advocating for policies that diverge from US positions.

The Beijing Declaration (2024) and the China-Africa Joint Statement (2024) underscore a political vision that aligns China and African nations in a shared development framework, emphasizing non-interference and mutual respect. This diplomatic model contrasts sharply with the US's traditional approach, which often includes promoting democracy and human rights, and has not always resonated with African governments. Hickson (2024) and Tiboris (2019) warn that as China strengthens its ties with African nations, it is gradually diminishing the US's ability to influence regional governance structures and diplomatic negotiations. The shift away from Western frameworks towards a China-centric model raises questions about the future of US soft power in Africa and its broader influence in international organizations.

As China continues to consolidate its position as Africa's leading partner, the US faces the challenge of recalibrating its diplomatic strategy to maintain relevance in African affairs. This could involve shifting focus from traditional political and economic leverage to fostering stronger people-to-people ties and supporting African-led solutions to regional challenges.

Security and Strategic Presence in Africa

China's growing influence in Africa also has significant security implications, particularly for the US military and its strategic interests on the continent. Garamone (2021) reports that Africa's importance for global security, due to its role in counterterrorism, peacekeeping, and resource security, has made it a focal point of competition between global powers. China's investments in critical infrastructure often coincide with areas of US strategic interest, such as ports, airstrips, and digital infrastructure. McBride, Berman, and Chatzky (2023) examine how China's Belt and Road Initiative serves as a tool for expanding geopolitical influence through infrastructure investments with potential dual-use capabilities, raising strategic concerns for the US and its military posture in regions where China is active, including Africa.

The increasing presence of Chinese military infrastructure, particularly in strategic locations like the Horn of Africa, is becoming a significant concern for US defense strategy. Ploch (2011), an analyst in African affairs and writer of a CRS report for Congress, highlights how China's expanding footprint in areas crucial for US military operations could limit American military access and influence, especially in key maritime chokepoints and logistical hubs. It emphasizes that China's military and dual-use infrastructure investments, particularly in locations like Djibouti, are directly impacting US strategic access and operational flexibility. This growing Chinese presence may undermine US efforts to maintain military superiority in Africa and hinder its ability to project power across the continent.

While the US has traditionally maintained a robust military presence in Africa to secure strategic interests and counter-terrorism, China's military investments in Africa complicate this dynamic. The US needs to assess the long-term implications of China's military expansion on its own defense posture, particularly in terms of access to military bases, security partnerships, and

multilateral defense initiatives. The growing security concerns also suggest the need for the US to reconsider its military strategies in Africa, potentially emphasizing more collaborative security frameworks with African nations to counterbalance China's increasing military presence.

Conclusion

While current research provides valuable insight into the economic, diplomatic, and soft power implications of China's foreign funding in Africa, several notable gaps remain. Much of the literature focuses on China's rise, yet few sources analyze how the US might respond in a comprehensive, forward-looking way. There is limited research on the strategic military and security implications for the United States, particularly regarding access to ports, airfields, or potential loss of influence in critical regions. In addition, while public opinion data is available, deeper qualitative research on how African citizens perceive both countries' long-term intentions is lacking.

To address these gaps, further research should examine how US policy can adapt to this shifting landscape, particularly in terms of strengthening partnerships through sustainable investment, renewed development aid, and culturally sensitive diplomacy. A comparative study on the effectiveness of Chinese versus American foreign aid models could also shed light on what kind of engagement African nations truly value.

This research has practical implications for US foreign policymakers, diplomats, and development agencies. By understanding where China is succeeding and why, the US can better strategize its presence and preserve its influence on the continent. Ultimately, the findings of this literature review reinforce the urgency for the US to recalibrate its approach, not just to compete with China, but to reestablish itself as a trusted and engaged partner in Africa's future.

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