

Debt Diplomacy or Development Partnership? A Comparative Assessment of China's Engagement in Nigeria and Zambia

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Abstract

China's rise as Africa's largest bilateral creditor has fuelled a persistent debate over whether its lending constitutes "debt-trap diplomacy" or genuine development partnership. This article moves beyond that binary by comparing two major, long-standing recipients of Chinese finance with sharply divergent debt trajectories: Nigeria, which has continued servicing its obligations without formal distress, and Zambia, which defaulted on its Eurobonds in 2020 and underwent a protracted, China-influenced restructuring. Drawing on a mixed-methods, comparative case-study design, this article triangulates data from the Chinese Loans to Africa Database, Nigeria's Debt Management Office, and independent debt-policy research organizations, analysed against four indicators: creditor diversification, loan structure and collateralisation, transparency and oversight, and domestic fiscal governance. The findings show no evidence of deliberate Chinese asset seizure in either case, undermining the strong coercive version of the debt-trap thesis. However, Zambia's 2023 restructuring which extended maturities to 2043 while leaving its debt-to-GDP ratio unchanged at 110.8 percent illustrates that the absence of coercion does not equate to the absence of dependency. The article argues that the Nigeria–Zambia divergence is best explained not by differences in Chinese lending intent, but by borrower-side variables: Nigeria's more diversified creditor base (approximately 9.5 percent Chinese exposure) against Zambia's far higher concentration (approximately 30 percent), compounded by weaker fiscal buffers and slower, fragmented creditor coordination in Zambia's case. These findings support an integrated theoretical framework combining dependency theory with borrower agency, and inform a set of policy recommendations centred on creditor diversification, contract-level transparency, and faster multilateral debt-resolution coordination.

Keywords: Debt-Trap Diplomacy, China–Africa Relations, Sovereign Debt, Nigeria, Zambia, Dependency Theory

1. INTRODUCTION

China's rise as Africa's largest bilateral creditor has reopened one of the most contentious debates in contemporary international political economy: whether Beijing's lending constitutes a calculated strategy of "debt-trap diplomacy," or whether it represents a genuine, if imperfect, development partnership. The Chinese Loans to Africa (CLA) Database maintained by Boston University's Global Development Policy Center records over 1,300 loans worth more than \$180 billion extended to African governments and regional institutions between 2000 and 2023, making China's Exim Bank the single largest bilateral lender on the continent (Global Development Policy Center, 2025). The scale of this lending has invited two opposing interpretive traditions.

The first, popularised in Western policy circles following the 2017 Hambantota Port controversy in Sri Lanka, treats Chinese finance as an instrument of strategic coercion in which unsustainable loans are deliberately extended so that, upon default, Beijing can extract strategic assets or political concessions from the borrower (Carmody, Taylor, & Zajontz, 2021). The second tradition, advanced by scholars working closely with primary loan contract data, argues that this narrative is empirically thin: Brautigam and Rithmire (2021) contend that the "debt-trap" thesis survives more on repetition than on evidence, while Himmer and Röd (2022) similarly conclude that the reality of Chinese lending is far more heterogeneous than the myth suggests. Rapanyane (2021) situates this heterogeneity within a broader critique of Western narrative-construction about China's African engagement, arguing that risk and agency are unevenly distributed across borrower states rather than uniformly imposed by Beijing.

This heterogeneity is precisely what makes a comparative case-study design valuable. Rather than adjudicating the debt-trap debate in the abstract, this article narrows its focus to two African states with substantial, well-documented exposure to Chinese finance but sharply divergent outcomes: Nigeria and Zambia. Nigeria has continued to service its Chinese debt without formal distress, maintaining a diversified external creditor base in which Chinese Exim Bank loans constitute a declining share of total external debt — 9.54 percent as of March 2026, down from previous quarters (Debt Management Office, 2026). Zambia, by contrast, became the first African country to default on its Eurobond obligations during the COVID-19 pandemic in November 2020, entering a protracted, multi-year restructuring process in which China played a central and closely scrutinised role as co-chair of the country's Official Creditor Committee (Gort, 2023; Zajontz, 2022).

The Nigeria–Zambia pairing therefore offers a natural quasi-experiment: both states are major, long-standing recipients of Chinese infrastructure finance, yet one has avoided formal distress while the other has not. This divergence raises the central research question guiding this article: **To what extent do differences in loan structure, negotiating capacity, transparency, and domestic fiscal governance explain the differing debt trajectories of Nigeria and Zambia?** In pursuing this question, the article contributes to a growing body of scholarship that treats debt-trap diplomacy not as a fixed characteristic of Chinese lending, but as an outcome contingent on borrower-side conditions (Purwins, 2023; Liu, Li, Zhu, Pan, & Huang, 2024).

The article proceeds as follows. **Section 2** reviews the literature on debt-trap diplomacy and its critics. **Section 3** outlines the theoretical framework, pairing dependency theory with a borrower-agency counter-frame. **Section 4** details the comparative case-study methodology and data sources. **Section 5** presents the empirical findings for Nigeria and Zambia. **Section 6** discusses these findings in comparative perspective. **Sections 7 and 8** offer concluding remarks and policy recommendations, respectively.

2. LITERATURE REVIEW

The scholarly literature on Chinese lending to Africa can be organised around three broad, overlapping

strands: the "debt-trap diplomacy" thesis and its critics, borrower-agency and dependency-oriented accounts, and country-specific empirical studies of Nigeria and Zambia. Each strand contributes distinct conceptual tools to the comparative analysis undertaken in this article.

2.1 The debt-trap diplomacy thesis and its critics

The debt-trap diplomacy (DTD) thesis holds that China deliberately extends loans beyond a borrower's repayment capacity so that, upon default, it can seize strategic assets or extract political concessions (Carmody, Taylor, & Zajontz, 2021). This thesis gained wide currency following interpretations of Sri Lanka's 2017 Hambantota Port lease, though subsequent empirical scrutiny has substantially undermined the port-seizure narrative on which it rests. Brautigam and Rithmire (2021) argue that no verified case exists of China seizing a strategic asset from a defaulting African state, and that the thesis persists largely through repetition in Western policy commentary rather than through documented lending practice. Himmer and Röd (2022) reach a similar conclusion, characterising DTD as analytically useful only if radically qualified: Chinese lending outcomes vary too widely across borrowers to support a single coercive logic.

Rapanyane (2021, 2022) extends this critique by situating the DTD narrative within broader geopolitical contestation, arguing that Western commentary on Chinese lending often serves to delegitimise a rival development-finance model rather than to describe it accurately. Singh (2020) similarly frames DTD as a "myth" sustained more by the anecdote of individual high-profile deals than by systematic evidence, noting that the overwhelming majority of Chinese loans to African states have been restructured or renegotiated rather than converted into asset seizures. Liu, Li, Zhu, Pan, and Huang's (2024) empirical analysis of Chinese infrastructure lending across the continent similarly finds no statistically robust relationship between loan concentration and asset-seizure risk, lending quantitative weight to the qualitative critiques advanced by Brautigam, Rithmire, and Singh.

2.2 Borrower agency, dependency, and the limits of the "myth" rebuttal

A second strand of literature resists collapsing the debate into a simple true/false verdict on DTD, arguing instead that both the coercion thesis and its rebuttal underplay structural asymmetries of power. Zajontz (2022) contends that the "problem-solving" literature associated with Brautigam and Singh, while empirically rigorous, tends to normalise the underlying dependency relationship by focusing narrowly on whether asset seizure has occurred, rather than on the broader ways in which debt entrenches African states' subordination within a Chinese-centred financial order. Gort's (2023) relational comparison of Chinese and Western lending to Zambia builds on this critique, showing that debt restructuring can still deepen dependency by channelling new loans directly into contracts with Chinese firms even when it avoids formal asset seizure, thereby bypassing the local economy and extending the repayment horizon without reducing structural exposure.

Purwins (2023) offers a related but more borrower-centred account, examining Ghana's Sinohydro bauxite-for-infrastructure arrangement as an evolved variant of the resource-backed "Angola model." Her analysis suggests that outcomes depend heavily on the specific collateral structure negotiated by the borrowing government, reinforcing the view that African states are not passive recipients of a uniform Chinese strategy but active — if unevenly resourced — negotiators whose choices shape their own exposure to distress.

2.3 Country-specific evidence: Nigeria and Zambia

Nigeria-specific scholarship has grown substantially in recent years. Ajah and Onuoha (2025) assess the Belt and Road Initiative's impact on Nigerian infrastructure delivery, finding a mixed record in which

railway and power-sector projects have improved connectivity but have also raised persistent concerns over debt sustainability and contractual transparency. Wagwu and Iroko (2026) reach a comparable conclusion in their reassessment of the debt-trap debate specifically for Nigeria between 2015 and 2025, reporting that Chinese financing has meaningfully advanced transportation, energy, and telecommunications infrastructure, while simultaneously flagging weak legislative oversight, limited local-content participation, and insufficient technology transfer as unresolved risks. Ezenwa and Adegoke (2021) focus more narrowly on debt sustainability metrics, arguing that Nigeria's strategy of servicing Chinese loans without missing payments has thus far avoided the distress trajectory seen elsewhere, but caution that the cross-default provisions embedded in several Chinese loan agreements create latent vulnerability should any single project loan fall into arrears.

Zambia's default and subsequent restructuring have generated an unusually rich empirical record. Gort (2023) documents how Zambia's pre-2020 borrowing financed major infrastructure including the Lusaka–Ndola road and Kenneth Kaunda International Airport while progressively increasing the country's dependency on Chinese Exim Bank financing. Scholarship on the restructuring process itself emphasises China's departure from its traditional bilateral, fragmented negotiating style: China co-chaired Zambia's Official Creditor Committee alongside France from 2022, marking a notable, closely studied instance of Beijing operating within a multilateral debt-resolution framework rather than negotiating purely bilaterally (Zajontz, 2022).

2.4 Gap

Taken together, this literature suggests that the debt-trap diplomacy thesis, in its strong coercive form, does not survive close empirical scrutiny — but that the rebuttal literature can understate real asymmetries of dependency and bargaining power. What remains comparatively underexplored is a systematic, side-by-side comparison of two major Chinese borrowers with sharply different debt trajectories, examined through the same empirical lens. This article addresses that gap by comparing Nigeria and Zambia using consistent data sources and a shared analytical framework, developed in the following section.

3. THEORETICAL FRAMEWORK

This article situates its comparative analysis of Nigeria and Zambia within two complementary but analytically distinct theoretical traditions: dependency theory, which foregrounds structural asymmetries between lender and borrower, and a borrower-agency (or rational-actor) counter-frame, which foregrounds the strategic choices available to African states within those structural constraints. Neither tradition alone adequately explains the divergent trajectories of the two cases; read together, they generate the analytical framework applied in Sections 5 and 6.

3.1 Dependency theory

Classical dependency theory holds that the global economic system is structured around a core–periphery relationship in which peripheral states supply raw materials and cheap labour while remaining structurally reliant on external capital, technology, and finance supplied by core economies (Zajontz, 2022). Applied to Chinese lending, this tradition treats large-scale infrastructure loans not as neutral development finance but as a mechanism through which new dependency relations are constructed, even where the lender is not a traditional Western power. Zajontz (2022) argues explicitly that Chinese finance in Africa should be read through this lens: even routine debt restructuring, he contends, can deepen rather than resolve dependency, particularly when restructured loans are tied to new contracts awarded directly to Chinese state-owned contractors, as occurred in Zambia's Lusaka–Ndola road financing (Gort, 2023).

Dependency theory is analytically useful for this article because it directs attention to the terms of finance

— collateralisation, contractor exclusivity, currency denomination, and cross-default clauses — rather than only to headline loan volumes. Ezenwa and Adegoke (2021), for instance, identify cross-default provisions embedded in several Nigerian loan agreements as a structural vulnerability consistent with a dependency reading: even where individual projects perform well, the contractual architecture ties Nigeria's overall debt position to the performance of any single Chinese-financed project.

3.2 The borrower-agency counter-frame

A purely structural dependency account, however, struggles to explain why two states with comparable exposure to Chinese finance — Nigeria and Zambia — have experienced markedly different outcomes. To account for this variation, the article draws on a borrower-agency counter-frame, associated with scholars such as Brautigam and Rithmire (2021) and Purwins (2023), which treats African governments as strategic actors whose choices about creditor diversification, fiscal management, and loan negotiation materially shape their exposure to distress. In this view, debt outcomes are not simply imposed by Beijing but are co-produced through the negotiating capacity, institutional oversight, and macroeconomic management of the borrowing state itself.

This counter-frame draws implicitly on rational-actor assumptions: given comparable access to Chinese credit, a government that diversifies its creditor base, maintains transparent debt-reporting practices, and preserves fiscal buffers is expected to be better positioned to service its obligations than one that concentrates borrowing, obscures loan terms, or allows debt service to consume an unsustainable share of revenue. Wagwu and Iroro (2026) apply a version of this logic to Nigeria, attributing the country's continued debt servicing partly to a diversified external creditor base that limits Chinese exposure to any single vulnerability.

3.3 An integrated framework for comparison

Rather than treating dependency theory and the borrower-agency frame as competing explanations, this article treats them as operating at different levels of analysis. Dependency theory best explains the structural conditions common to both Nigeria and Zambia — their shared reliance on Chinese infrastructure finance, their position within a broader core-periphery lending architecture, and the general risk that debt restructuring can entrench rather than resolve dependency (Zajontz, 2022). The borrower-agency frame, by contrast, best explains the case-specific variation between the two countries — why one has avoided formal default while the other has not.

This integrated framework generates the comparative expectation tested in Sections 5 and 6: that Nigeria's continued debt servicing and Zambia's default and restructuring are not primarily explained by differences in Chinese lending behaviour, but by differences in each state's negotiating capacity, creditor diversification, transparency, and domestic fiscal governance — the borrower-side variables identified across the literature reviewed in Section 2 (Purwins, 2023; Liu, Li, Zhu, Pan, & Huang, 2024).

4. MATERIALS AND METHODOLOGY

4.1 Research design

This article adopts a comparative, small-N case-study design, examining Nigeria and Zambia as two most-similar cases that diverge on a key outcome bothered on formal debt distress. Both countries are major, long-standing recipients of Chinese bilateral infrastructure finance and have been extensively studied within the wider debt-trap diplomacy literature (Ajah & Onuoha, 2025; Gort, 2023), which makes them well suited to a structured, focused comparison rather than a large-N statistical design. The comparative case-study method is appropriate here because the research question concerns process and mechanism on how loan structure, negotiating capacity, and fiscal governance interact to produce

divergent outcomes — rather than establishing a generalizable statistical relationship across the whole continent (Liu, Li, Zhu, Pan, & Huang, 2024).

4.2 Data sources

The article draws on a combination of quantitative debt data and qualitative documentary sources, triangulated across independent providers to strengthen verifiability:

1. The Chinese Loans to Africa (CLA) Database, maintained by Boston University's Global Development Policy Center, which records loan-level data for example lender, borrower, sector, amount, and year for over 1,300 Chinese loans to African governments between 2000 and 2023 (Global Development Policy Center, 2025).
2. Nigeria's Debt Management Office (DMO) quarterly external debt stock reports, used for up-to-date figures on Nigeria's Exim Bank of China exposure relative to total external debt.
3. Independent debt-policy research organizations including the Center for Global Development, the Atlantic Council, Credendo, and the Rhodium Group used for Zambia's restructuring terms, Official Creditor Committee timeline, and debt-to-GDP trajectory.
4. Academic and legal commentary — including Oxford Law Blogs' analysis of Zambia's restructuring — used to supplement and cross-check the debt-policy sources above.
5. Peer-reviewed secondary literature, drawn on for qualitative process-tracing of each country's negotiation history, contractual terms, and governance context (Wagwu & Iroko, 2026; Zajontz, 2022).

4.3 Analytical approach

Empirical material is organised around four comparative indicators derived from the theoretical framework in Section 3: (i) creditor diversification (the share of external debt owed to China relative to other bilateral and multilateral creditors); (ii) loan structure and collateralisation (the presence of resource-backing, cross-default clauses, or contractor exclusivity); (iii) transparency and legislative oversight of loan agreements; and (iv) domestic fiscal governance, measured through debt-service-to-revenue ratios and fiscal deficit trends. These indicators are applied consistently to both cases in Section 5, and the resulting patterns are compared directly in Section 6.

4.4 Limitations

Two limitations should be noted. First, Chinese loan data is not always fully disclosed by lender or borrower governments, a transparency gap widely acknowledged in the literature (Brown, 2023, as cited in Ajah & Onuoha, 2025); figures reported here therefore represent the best available estimates from triangulated sources rather than official, fully audited totals. Second, as a two-case comparison, this design offers analytical depth rather than statistical generalizability; findings are interpreted as illustrative of mechanisms that may operate elsewhere on the continent, not as claims about all Chinese-African lending relationships.

5. RESULTS AND ANALYSIS

This section applies the four comparative indicators identified in Section 4.3 which includes creditor diversification, loan structure and collateralisation, transparency and oversight, and domestic fiscal governance to Nigeria and Zambia in turn, drawing on triangulated data from the DMO, the CLA Database, IMF documentation, and recent secondary literature.

5.1 Nigeria

Creditor diversification: As of Q1 2026, Nigeria's total external debt stock stood at approximately \$51.90

billion, of which the Export-Import Bank of China accounted for \$4.95 billion, or roughly 9.5 percent — a share that has been gradually declining, down from \$5.06 billion the previous quarter (Debt Management Office, 2026). Multilateral institutions, led by the World Bank Group's International Development Association at over \$17 billion, remain Nigeria's dominant creditor category, followed by commercial Eurobond holders and a smaller cluster of bilateral lenders including China, France, and Japan (Debt Management Office, 2026). This structure is consistent with Wagwu and Iroro's (2026) finding that Nigeria's diversified creditor base has limited its exposure to any single lender, China included.

Loan structure and collateralisation: Chinese lending to Nigeria has concentrated on rail, aviation, and power-sector projects including the Lagos–Ibadan and Abuja–Kaduna railways and airport terminal expansions financed largely through project-tied Exim Bank facilities rather than the resource-backed collateral structures seen in some other African cases (Ajah & Onuoha, 2025). Nevertheless, Ezenwa and Adegoke (2021) identify cross-default clauses embedded in several of these agreements, meaning that default on one Chinese-financed project could, in principle, trigger acceleration across the wider loan portfolio — a latent structural vulnerability distinct from outright collateral seizure risk.

Transparency and oversight: Nigeria publishes quarterly, itemised external debt stock and debt-service reports through the DMO, including creditor-by-creditor breakdowns (Debt Management Office, 2026). This places Nigeria's disclosure practice ahead of many peer borrowers, though Wagwu and Iroro (2026) note that legislative scrutiny of individual loan contracts remains comparatively weak as opposed to aggregate debt figures, with the National Assembly's oversight role often limited to post hoc ratification rather than ex ante negotiation input.

Domestic fiscal governance: Nigeria's external debt service cost \$3.5 billion in 2023, of which bilateral creditors (including China Exim Bank, JICA, and German lenders) accounted for roughly 10 percent, or about \$344 million — a manageable share relative to multilateral and Eurobond obligations, which together made up around 90 percent of external debt service that year (DMO, cited in Francis, 2024). More recent data show external debt service easing to \$954 million in Q1 2026 alone (Nairametrics, 2026), even as total external debt rose 12.9 percent year-on-year, reflecting continued but so far sustainable servicing capacity. Nigeria's fiscal deficit nonetheless rose sharply to N13.51 trillion in 2024, pushing the deficit-to-GDP ratio above the threshold permitted under the Fiscal Responsibility Act 2007 (Nairametrics, 2026), a warning sign for medium-term sustainability even though no formal distress has occurred.

Table 1. Nigeria Quantitative Debt Indicators

Indicator	Value	Period	Source
Total external debt stock	\$51.90 billion	Q1 2026	Debt Management Office (2026)
Exim Bank of China exposure	\$4.95 billion (9.54% of total)	Q1 2026	Debt Management Office (2026)
China Development Bank exposure	\$507.52 million	Q1 2026	Debt Management Office (2026)
World Bank/IDA exposure (largest)	\$18.3 billion	Q1 2026	Debt Management Office (2026s)

Indicator	Value	Period	Source
creditor)			
Total bilateral debt (all countries)	\$6.09 billion	Dec. 2024	Debt Management Office, cited in Legit.ng (2025)
External debt service (full year)	\$3.5 billion	2023	Debt Management Office, cited in Francis (2024)
Bilateral share of debt service	~10% (\$344 million)	2023	Debt Management Office, cited in Francis (2024)
External debt service (single quarter)	\$954 million	Q1 2026	Nairametrix (2026)
Fiscal deficit	N13.51 trillion	2024	Nairametrix (2026)
Year-on-year external debt growth	12.90%	Mar. 2025–Mar. 2026	Nairametrix (2026)

Source: Debt Management Office (2026); Francis (2024); Nairametrix (2026); Legit.ng (2025).

5.2 Zambia

Creditor diversification: Zambia's exposure to China has been substantially higher, both in absolute and relative terms, than Nigeria's. Zambian government data placed public external debt owed to China's Exim Bank and China Development Bank at \$3.35 billion in 2021, while independent estimates inclusive of state-owned enterprise borrowing put total Chinese exposure as high as \$6.6 billion — roughly 30 percent of Zambia's total external loans (Cambridge Casebook on Chinese Outbound Investment, cited in Gort, 2023). This concentration left Zambia far more exposed to a single creditor relationship than Nigeria's more diversified portfolio.

Loan structure and collateralisation: Heavy borrowing since 2011, particularly under the Patriotic Front government, financed large infrastructure projects but left Zambia highly exposed to debt distress once external shocks — falling copper prices and COVID-19 — hit government revenue (Oxford Law Blogs, 2025). By 2022, more than half of Zambia's tax income was devoted to debt repayment, alongside a budget deficit of 9.5 percent of GDP (Oxford Law Blogs, 2025). Zambia formally defaulted on its Eurobond obligations in November 2020 — the first African country to do so during the pandemic — triggering a prolonged restructuring process.

Transparency and oversight: Zambia's restructuring negotiations exposed significant transparency gaps. An Official Creditor Committee, co-chaired by China and France, was not formed until June 2022 — more than a year after Zambia's initial request — and a further year passed before a \$6.3 billion restructuring agreement covering official bilateral debt was announced in June 2023 (CGD, 2023; Rhodium Group,

2023). Notably, \$1.75 billion in Zambian commercial debt covered by Sinosure export-credit insurance was excluded from the official deal and had to be handled separately in private-sector negotiations, reflecting the difficulty of cleanly categorising Chinese lending as either "official" or "commercial" — a transparency and coordination problem largely absent from Nigeria's more conventionally structured bilateral debt (Rhodium Group, 2023).

Domestic fiscal governance: The June 2023 restructuring extended Zambia's average debt maturities by more than twelve years, to 2043, and reduced the interest rate on restructured debt to 1 percent, rising to a maximum of 2.5 percent under a base-case scenario — but involved no reduction in principal (Atlantic Council, 2024). As a direct consequence, Zambia's public debt-to-GDP ratio remained unchanged at 110.8 percent, the same level recorded in 2022 before the deal (Credendo, 2023; Atlantic Council, 2024). The restructuring did, however, unlock a \$188 million disbursement under Zambia's \$1.3 billion IMF Extended Credit Facility, providing some near-term fiscal breathing room (Credendo, 2023).

Table 2. Zambia Quantitative Debt Indicators

Indicator	Value	Period	Source
Chinese exposure (government-reported, Exim Bank + CDB)	\$3.35 billion	2021	Zambia Annual Economic Report, cited in Gort (2023)
Chinese exposure (independent estimate, incl. SOEs)	\$6.6 billion (~30% of total loans)	Aug. 2021	Cambridge Casebook, cited in Gort (2023)
Total official debt restructured	\$6.3 billion	June 2023	Atlantic Council (2024); Credendo (2023)
Commercial debt excluded (Sinosure-covered)	\$1.75 billion	2023	Rhodium Group (2023)
Public debt-to-GDP ratio	110.8% (unchanged pre/post-restructuring)	2022–2024	Credendo (2023); Atlantic Council (2024)
Share of tax revenue to debt repayment	>50%	2022	Oxford Law Blogs (2025)
Budget deficit	9.5% of GDP	2022	Oxford Law Blogs (2025)
Restructured debt interest rate	1%, rising to max. 2.5%	Post-2023	Atlantic Council (2024)
Maturity extension	Average 12+ years (to 2043)	Post-2023	Atlantic Council (2024)

Indicator	Value	Period	Source
IMF ECF disbursement unlocked by deal	\$188 million (of \$1.3 billion facility)	2023	Credendo (2023)
Time from restructuring request to OCC formation	>1 year (formed June 2022)	2021–2022	Center for Global Development (2023)

Source: Gort (2023); Atlantic Council (2024); Credendo (2023); Rhodium Group (2023); Oxford Law Blogs (2025); Center for Global Development (2023).

Table 3. Summary comparison of both Nigeria and Zambia

This table summarises the four indicators across both cases.

Indicator	Nigeria	Zambia
China's share of external debt	~9.5% (2026)	~30% (2021 estimate)
Formal default	None	Yes (Eurobonds, Nov. 2020)
Debt-to-GDP trend	Rising deficit, no formal distress	110.8% (unchanged post-restructuring)
Restructuring required	No	Yes (\$6.3bn official debt, 2023)
Creditor coordination	Routine bilateral servicing	Prolonged OCC process (2022–2024)

Source: Author's compilation, synthesised from Tables 5.1 and 5.2 above (Debt Management Office, 2026; Gort, 2023; Atlantic Council, 2024; Credendo, 2023).

The pattern is consistent with the borrower-agency expectation set out in Section 3: Nigeria's comparatively diversified creditor base and continued, if strained, fiscal servicing capacity have thus far kept it clear of formal distress, while Zambia's heavier concentration of Chinese debt, compounded by a severe revenue shock, produced default and a slow, China-influenced restructuring process whose terms — extended maturities without principal reduction — left the underlying debt-to-GDP burden unchanged.

6. DISCUSSION OF FINDINGS

6.1 Revisiting the debt-trap diplomacy thesis

The comparative evidence presented in Section 5 offers little support for the strong, coercive version of the debt-trap diplomacy thesis. In neither Nigeria nor Zambia has China moved to seize infrastructure assets in exchange for debt relief — a pattern consistent with Brautigam and Rithmire's (2021) finding that no verified African case of Chinese asset seizure exists, and with Liu, Li, Zhu, Pan, and Huang's (2024) quantitative finding of no robust statistical link between loan concentration and seizure risk. Even in Zambia, the country in this comparison that came closest to the "crisis" scenario the DTD thesis

anticipates, the resolution took the form of maturity extension and interest-rate reduction rather than asset transfer (Atlantic Council, 2024). This supports Himmer and Röd's (2022) qualification that DTD, if it retains any analytical value at all, describes at most a narrow and unrepresentative subset of Chinese lending outcomes.

At the same time, the findings complicate any simple "myth debunked" reading. Zambia's restructuring terms — a debt-to-GDP ratio left unchanged at 110.8 percent, no principal haircut, and a process that took over a year merely to convene an Official Creditor Committee — illustrate the dependency dynamic that Zajontz (2022) warns is obscured when scholarly attention focuses narrowly on the absence of asset seizure. Debt relief without principal reduction extends Zambia's repayment horizon to 2043 while leaving its underlying fiscal burden intact, a pattern more consistent with prolonged financial dependency than with either coercive extraction or straightforward partnership.

6.2 Explaining the Nigeria–Zambia divergence

The four comparative indicators applied in Section 5 point toward borrower-side variables, not differences in Chinese lending intent, as the primary drivers of the two countries' divergent trajectories — consistent with the theoretical expectation set out in Section 3.3. Three factors stand out.

First, **creditor concentration** differed sharply: Chinese lenders accounted for roughly 30 percent of Zambia's external loans at the point of crisis, against approximately 9.5 percent of Nigeria's total external debt in 2026 (Gort, 2023; Debt Management Office, 2026). A more concentrated creditor relationship left Zambia with less room to absorb a revenue shock without triggering distress, a dynamic Rapanyane (2022) associated with weaker bargaining leverage vis-à-vis Beijing during crisis negotiations.

Second, **external shock exposure and fiscal buffers diverged**. Zambia's crisis was precipitated by the collapse in copper prices combined with the COVID-19 shock, hitting a government that was already devoting more than half of tax revenue to debt service by 2022 (Oxford Law Blogs, 2025). Nigeria's fiscal position has also deteriorated — its 2024 deficit breached the threshold set by the Fiscal Responsibility Act 2007 (Nairametrics, 2026) — but from a materially stronger starting position of lower debt concentration and a more diversified revenue base, allowing it to continue servicing obligations without triggering formal default.

Third, **negotiating capacity and institutional continuity** shaped how each government engaged Chinese creditors. Wagwu and Iroro (2026) attribute part of Nigeria's stability to consistent, itemised public debt reporting via the DMO, which — while not eliminating legislative oversight gaps — has supported a relatively predictable servicing relationship with bilateral creditors. Zambia's experience, by contrast, involved significant delay and coordination failure: the exclusion of Sinosure-backed commercial debt from the official restructuring track, and the more than two-year gap between Zambia's initial request and a finalised agreement, point to what Rhodium Group (2023) characterises as China's continued insistence on negotiating separately from — rather than fully within — coordinated multilateral frameworks.

6.3 Implications for the debt-diplomacy versus development-partnership framing

These findings suggest that "debt diplomacy" and "development partnership" are better understood as end-points on a spectrum shaped primarily by borrower-side conditions than as a binary characterisation of Chinese intent. Purwins's (2023) analysis of Ghana's Sinohydro deal makes a parallel point: the same lender, using a broadly similar resource-backed instrument, produced different risk profiles depending on the specific terms negotiated by the borrowing government. Applied to this comparison, Nigeria's experience — continued infrastructure delivery alongside manageable, if rising, debt exposure — sits closer to the development-partnership pole, while Zambia's experience — heavy concentration, default,

and a restructuring that preserved rather than reduced the debt burden — sits closer to the dependency pole, without requiring an assumption of deliberate Chinese coercion in either case.

This reading aligns with Singh's (2020) broader argument that Chinese development finance is better understood as commercially driven and unevenly managed than as strategically predatory, while still taking seriously Zajontz's (2022) caution that the absence of coercion does not equate to the absence of dependency. The two African cases examined here therefore illustrate not a single "Chinese model" of engagement in Africa, but a set of outcomes substantially co-produced by the borrowing states themselves.

7. CONCLUSION

This article set out to test the debt-trap diplomacy thesis against verifiable, comparative evidence from two of China's major African borrowers (Nigeria and Zambia) rather than adjudicating the debate in the abstract. The findings do not support the strong, coercive version of the thesis: no evidence of Chinese asset seizure emerged in either case, consistent with Brautigam and Rithmire's (2021) and Liu, Li, Zhu, Pan, and Huang's (2024) broader empirical rebuttals. At the same time, the comparison shows that the absence of coercion is not equivalent to the absence of dependency. Zambia's 2023 restructuring extended maturities to 2043 and lowered interest rates, yet left its debt-to-GDP ratio unchanged at 110.8 percent — a resolution that preserved rather than resolved Zambia's underlying fiscal exposure (Credendo, 2023; Atlantic Council, 2024), lending empirical weight to Zajontz's (2022) dependency-oriented caution.

The central explanatory finding of this article is that the divergence between Nigeria's continued debt servicing and Zambia's default and restructuring is better explained by borrower-side conditions than by any uniform Chinese lending strategy. Nigeria's more diversified creditor base — Chinese Exim Bank exposure at roughly 9.5 percent of total external debt against multilateral lenders exceeding 30 percent — together with more consistent public debt reporting, allowed it to absorb fiscal pressure without triggering formal distress (Debt Management Office, 2026; Wagwu & Irero, 2026). Zambia's considerably higher Chinese debt concentration, combined with a severe external revenue shock and delayed, fragmented creditor coordination, produced a markedly different outcome (Gort, 2023; Rhodium Group, 2023). This supports the article's integrated theoretical framework: dependency theory explains the structural conditions common to both cases, while the borrower-agency counter-frame explains the case-specific variation between them (Purwins, 2023).

These findings carry two broader implications. First, for scholarship, they suggest that future research on Chinese lending to Africa should move beyond binary debt-trap-versus-partnership framings toward comparative, indicator-based designs capable of isolating which conditions most consistently predict distress for instance creditor concentration, loan structure, transparency, or fiscal governance. Second, for policy, they suggest that African governments retain meaningful agency in shaping their exposure to Chinese finance, even within a broader structural relationship of dependency, a conclusion that motivates the policy recommendations presented in Section 8.

This study is not without limitations. As a two-case comparison, it offers depth rather than statistical generalizability, and Chinese loan data even when triangulated across the CLA Database, government reporting, and independent estimates remains incompletely disclosed (Ajah & Onuoha, 2025). Future research extending this comparative framework to additional cases, such as Kenya, Angola, or Ethiopia, would help establish how robust the borrower-agency explanation is across a wider range of African debt trajectories.

8. POLICY RECOMMENDATIONS

The comparative findings of this article point toward concrete, borrower-side policy interventions rather

than measures aimed at altering Chinese lending behaviour itself. The following recommendations are organised around the four indicators applied in this study and are addressed primarily to Nigeria, Zambia, and other African states with substantial Chinese debt exposure.

8.1 Strengthen creditor diversification

Given the association between Zambia's high Chinese debt concentration and its default (Gort, 2023), African governments should actively manage the share of external debt held by any single bilateral creditor. Nigeria's comparatively diversified portfolio with Chinese Exim Bank exposure at roughly 9.5 percent of total external debt against multilateral lenders exceeding 30 percent (Debt Management Office, 2026) offers a practical benchmark. Debt management offices should set, and publicly report against, indicative ceilings on single-creditor concentration as part of medium-term debt strategy documents.

8.2 Renegotiate cross-default and collateral clauses ex ante

Ezenwa and Adegoke (2021) identify cross-default provisions in Nigerian loan agreements as a latent structural vulnerability, while Purwins (2023) shows that collateral structure materially shapes risk exposure in resource-backed deals. Borrowing governments should engage specialist sovereign-debt legal counsel before signing individual project loans, with explicit attention to whether default on one facility can trigger acceleration across an entire loan portfolio, and should resist collateral or contractor-exclusivity terms that concentrate leverage in the lender's favour without a corresponding reduction in the interest rate or improvement in repayment terms.

8.3 Improve loan-level transparency and legislative oversight

While Nigeria's DMO publishes creditor-by-creditor debt data more consistently than many peers (Debt Management Office, 2026), Wagwu and Iroko (2026) note that legislative scrutiny of individual loan contracts remains largely post hoc. Parliaments and national assemblies should be granted a formal ex ante review role for large bilateral loan agreements, not merely a ratification function after signing, and full loan contracts should be published in line with emerging continental transparency norms and not only aggregate figures.

8.4 Build fiscal buffers against commodity and external shocks

Zambia's default was precipitated by a combination of high debt concentration and a severe commodity-price and pandemic shock hitting a government already directing more than half of tax revenue to debt service (Oxford Law Blogs, 2025). Resource-dependent borrowers should build counter-cyclical fiscal buffers — stabilisation funds or contingency reserves tied to commodity-revenue windfalls — precisely because heavy bilateral debt exposure leaves less fiscal room to absorb shocks without triggering distress.

8.5 Push for faster, more coordinated multilateral engagement

The more-than-year-long delay between Zambia's restructuring request and the formation of its Official Creditor Committee (Center for Global Development, 2023), together with the separate treatment of Sinosure-covered commercial debt (Rhodium Group, 2023), point to structural weaknesses in how Chinese official and quasi-commercial debt is coordinated during crises. African governments facing distress should press, collectively through bodies such as the African Union, for standardised timelines and clearer classification rules within the G20 Common Framework, so that future restructurings move faster and cover the full scope of a country's Chinese-linked obligations from the outset.

8.6 Reframe engagement around negotiated terms, not blanket avoidance

Finally, given that this article finds no evidence of deliberate Chinese coercion in either case (Brautigam &

Rithmire, 2021; Liu, Li, Zhu, Pan, & Huang, 2024), the appropriate policy response is not wholesale avoidance of Chinese finance, which remains an important source of infrastructure investment (Ajah & Onuoha, 2025), but more rigorous, better-resourced negotiation of individual loan terms, an approach consistent with the borrower-agency framework developed in this article.

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