



MARKETS TECHNOLOGY MONEY HEALTHCARE ENERGY MINING GREEN POLITICS

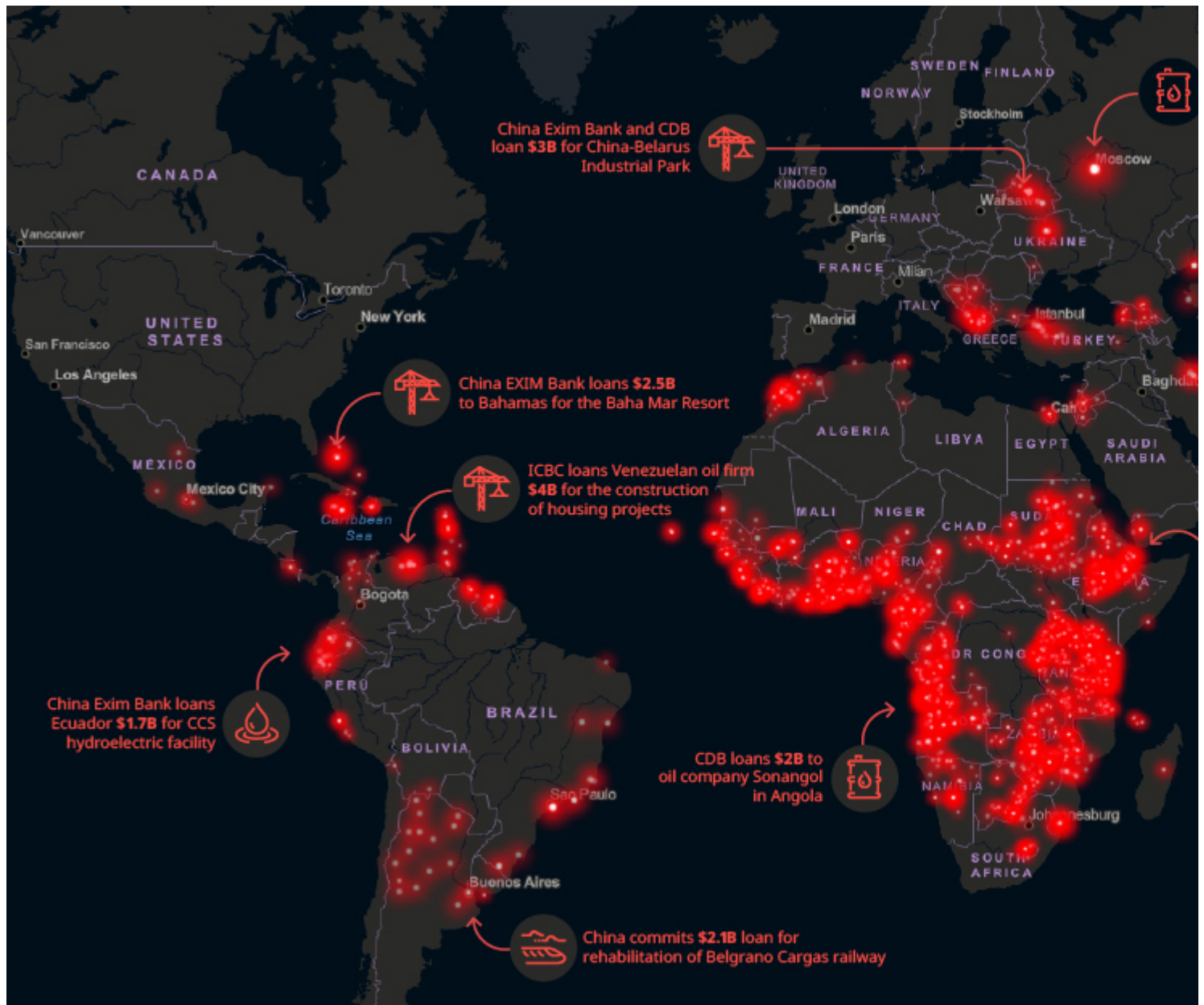
How Chinese Financing is Fueling Around the World



Published 2 years ago on January 7, 2020

By **Nick Routley**

View the [full-size](#) version of this infographic.



How Chinese Financing is Fueling the World's Megaprojects

On a mountaintop a few miles north of the bustling streets of Harare, Zimbabwe, a curvilinear modern complex is beginning to take shape. This building, once completed, will be the home of the African country's parliament, and the centerpiece of a new section of the capital city.

Aside from the striking design, there's another unique twist to this development — the estimated \$140 million project is a gift from Beijing. At first glance, gifting a country a new parliament building may seem extravagant, but the project is a tiny portion of China's \$270 billion in "diplomacy spending" since 2000.

AidData, a research lab at the W&M Global Research Institute, has compiled a massive database of Chinese-backed projects spanning from 2000–2017. In aggregate, it creates a comprehensive look at China's efforts to grow its influence in countries around the world, particularly in Africa and South Asia.

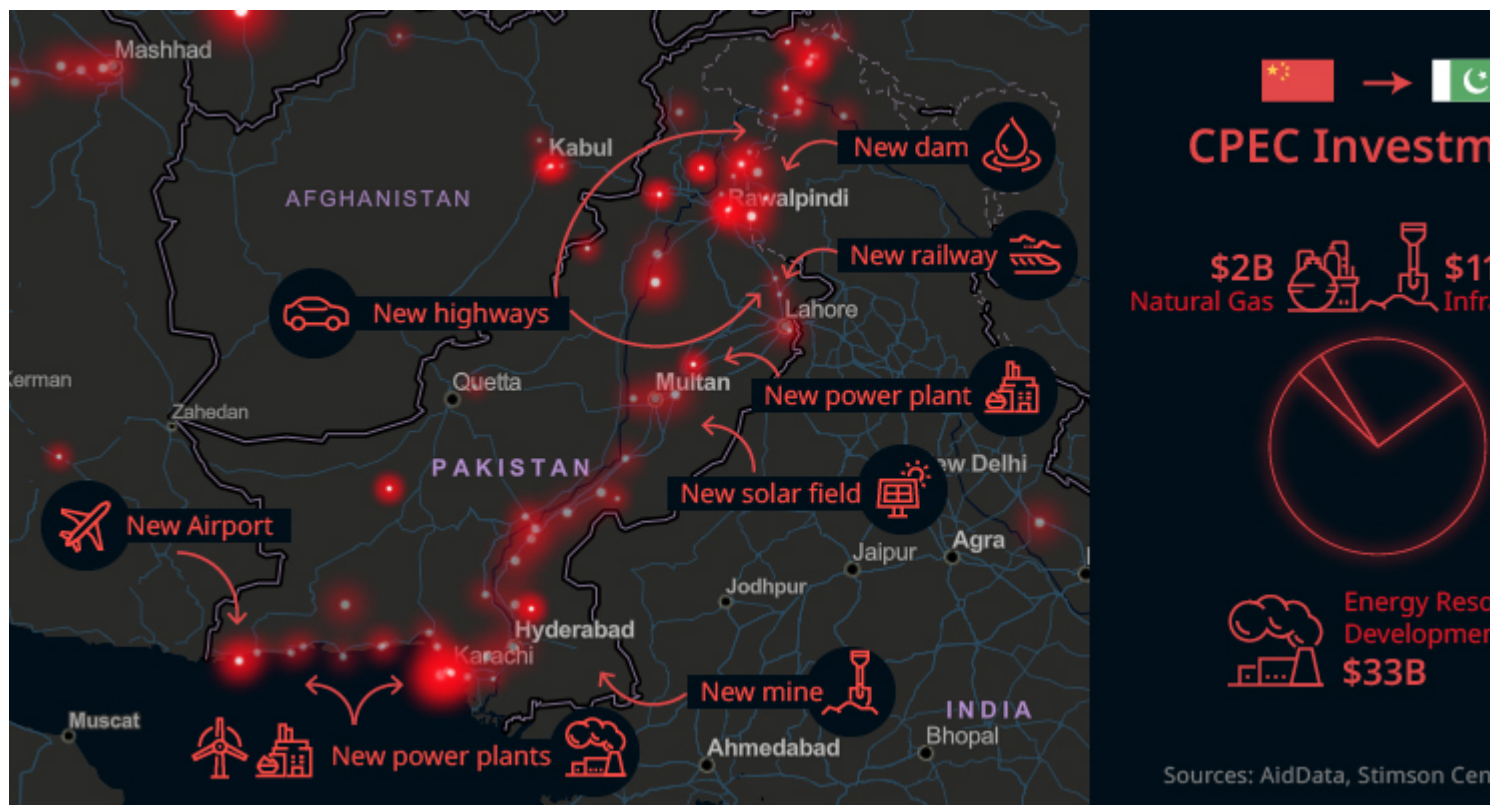
Beijing has ramped up the volume and sophistication of its public diplomacy overtures, [...] but infrastructure as a part of its financial diplomacy dwarfs Beijing's other public diplomacy tools.

– Samantha Custer, Director of Policy Analysis

Below, we'll look at three diplomacy spending hotspots around the world, and learn about Chinese-funded megaprojects, from power plants to railway systems.

1. Pakistan

In 2015, Chinese President Xi Jinping visited Islamabad to inaugurate the China-Pakistan Economic Corridor (CPEC), kicking off a \$46 billion investment that has transformed Pakistan's transportation system and power grid. CPEC is designed to cement the strategic relations between the two countries, and is a portion of China's massive One Belt, One Road (OBOR) initiative.

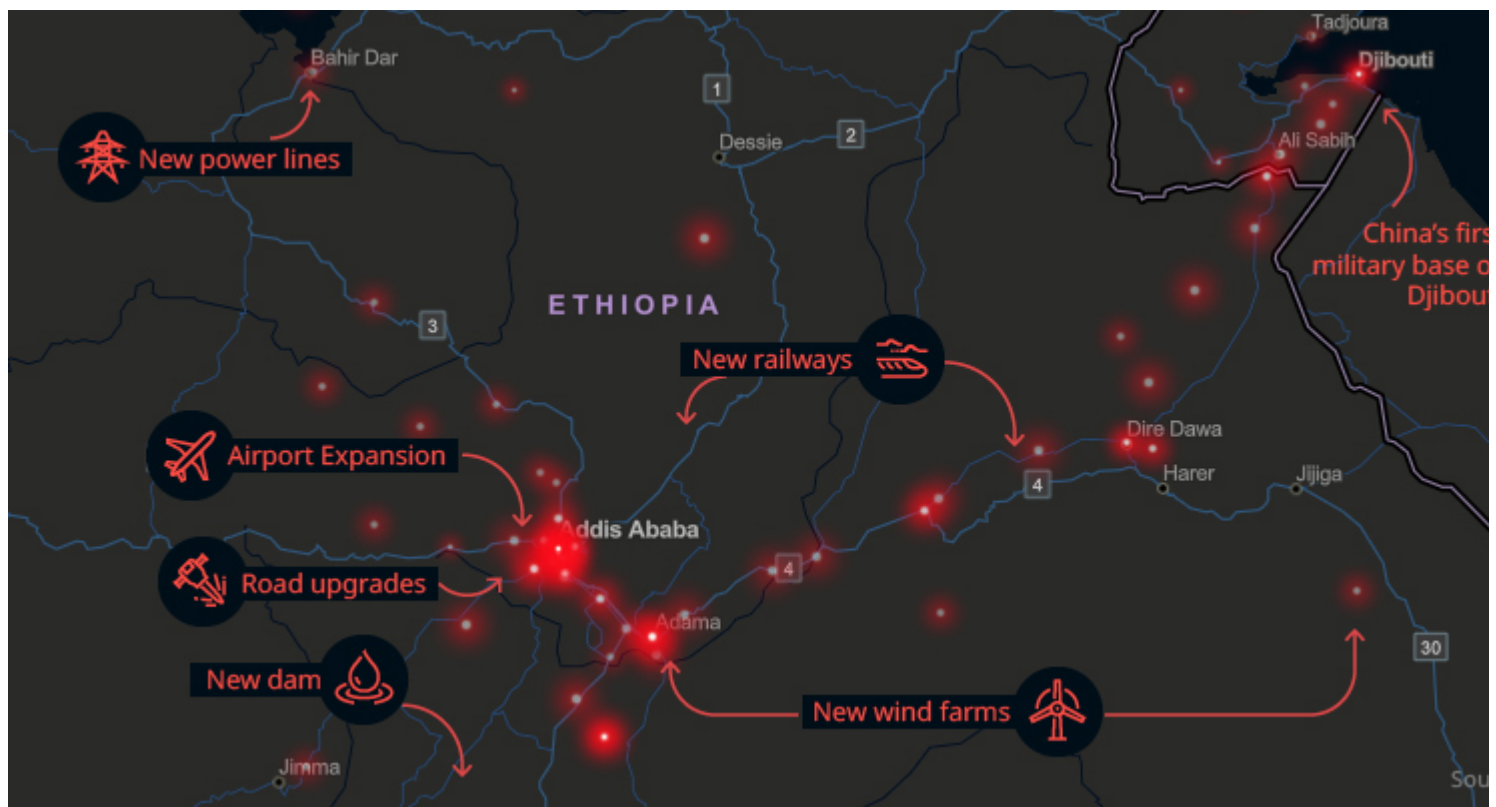


One of the largest projects financed by China was the Karachi Nuclear Power K2/K3 project. This massive power generation project is primarily bankrolled by China's state-owned Exim Bank, which has kicked in over \$6.6 billion over three phases of payments.

Billions of dollars in Chinese capital has also funded everything from highway construction to renewable energy projects across Pakistan. Pakistan's youth unemployment rate sits at nearly 40%, so jobs created by new infrastructure investments are a welcome prospect. In 2014, Pakistan had the highest public approval rating of China in the world, with nearly 80% of respondents holding a favorable view of China.

2. Ethiopia

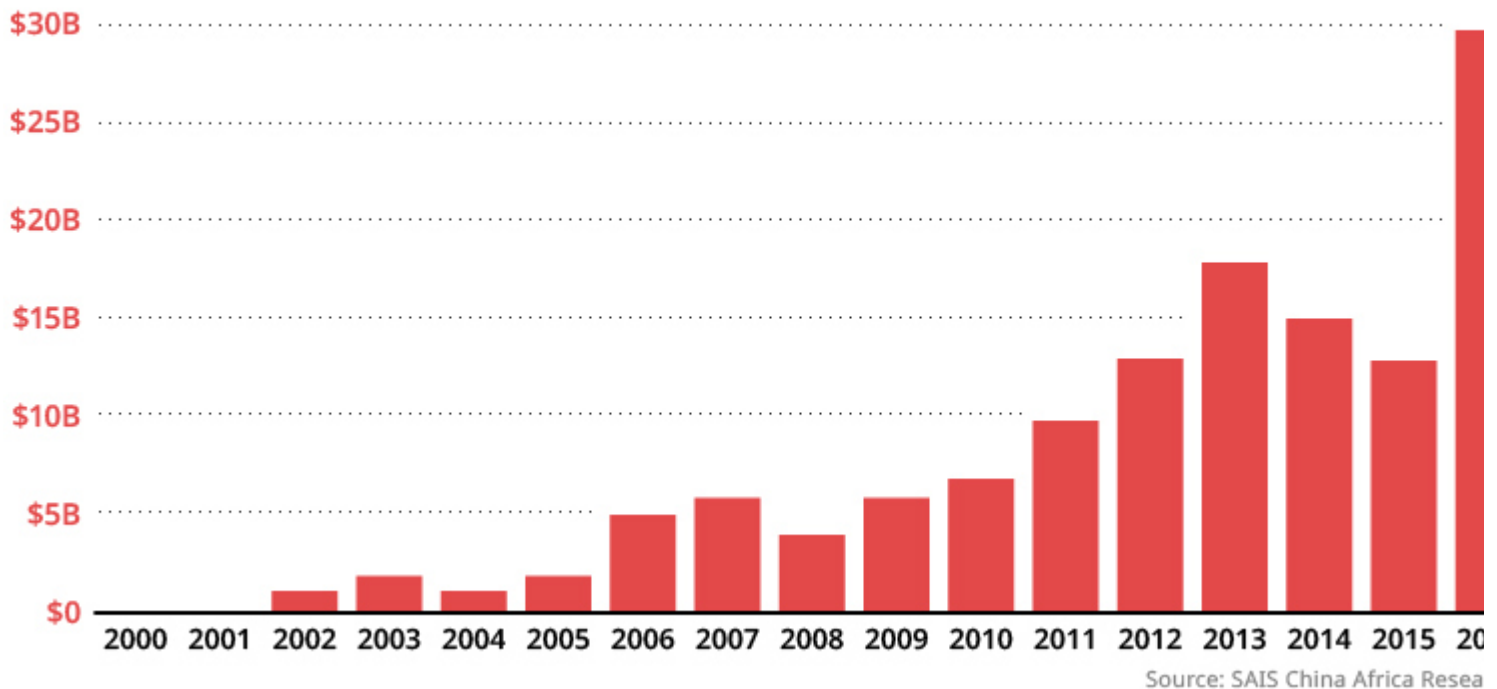
Ethiopia has seen a number of changes within its borders thanks to Chinese financing. This is particularly evident in its capital, Addis Ababa, where a slew of transportation projects — new ring roads to Sub-Saharan Africa's first metro system — transformed the city.



One of the most striking symbols of Chinese influence in Addis Ababa is the futuristic African Union (AU) headquarters. The \$200 million complex was gifted to the city by Beijing in 2012.

Though Ethiopia is a clear example of Chinese investment transforming a country's infrastructure, a number of other African nations have experienced a similar influx of money from Beijing. This financing pipeline has increased dramatically in recent years.

Chinese Loans to Africa



3. Sri Lanka

In the wake of political turmoil, Sri Lanka is increasingly looking to China for loans. From 2017, over \$12 billion in loans and grants have poured into the deeply-indebted country.

Perhaps the most contentious symbol of the relationship between the two countries is a port on the south coast of the island nation, at a strategic point along one of the world's busiest shipping lanes. The Hambantota Port project — which was completed in 2011 — followed a now familiar path. Eschewing an open bidding process, Beijing's government financed the project and a state-owned firm to construct the port, primarily using Chinese workers.

By 2017, Sri Lanka's government was burdened by debt the previous administration had on. After months of negotiations, the port was handed over with the land around it lease to China for 99 years. This handover was a strategic victory for China, which now has a shipping foothold within close proximity of its regional rival, India.

John Adams said infamously that a way to subjugate a country is through either the sword or debt. China has chosen the latter.

– Brahm

Playing the Long Game

Africa's economic rise will likely be a major contributor to global growth in coming years. Already, six of the 10 fastest growing economies in the world are located in Africa. China is the top trading partner on the continent, with the United States sitting in third place.

OBOR spending has also earned China plenty of influence in the rest of Asia as well. If the ambitious megaproject continues along its current trajectory, China will be the central player in a more prosperous, interconnected Asia.

Receive free **Visual Capitalist** content straight to your inbox.

Get your mind blown on a daily basis:

Sign up

RELATED TOPICS: #OBOR #Addis Ababa #Chinese Megaprojects #China Exim Bank #Diplomacy Spending #China-Pakistan Economic Corridor #CPEC #One Belt One Road

DON'T MISS



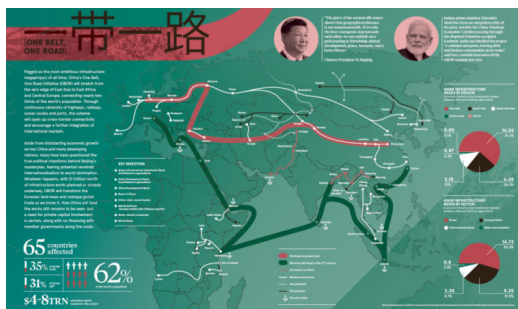
An Investing Megatrend: How Emerging Wealth is Shaping the Future

UP NEXT

Visualizing How the Demographics of China and India are Diverging

CLICK FOR COMMENTS

YOU MAY ALSO LIKE



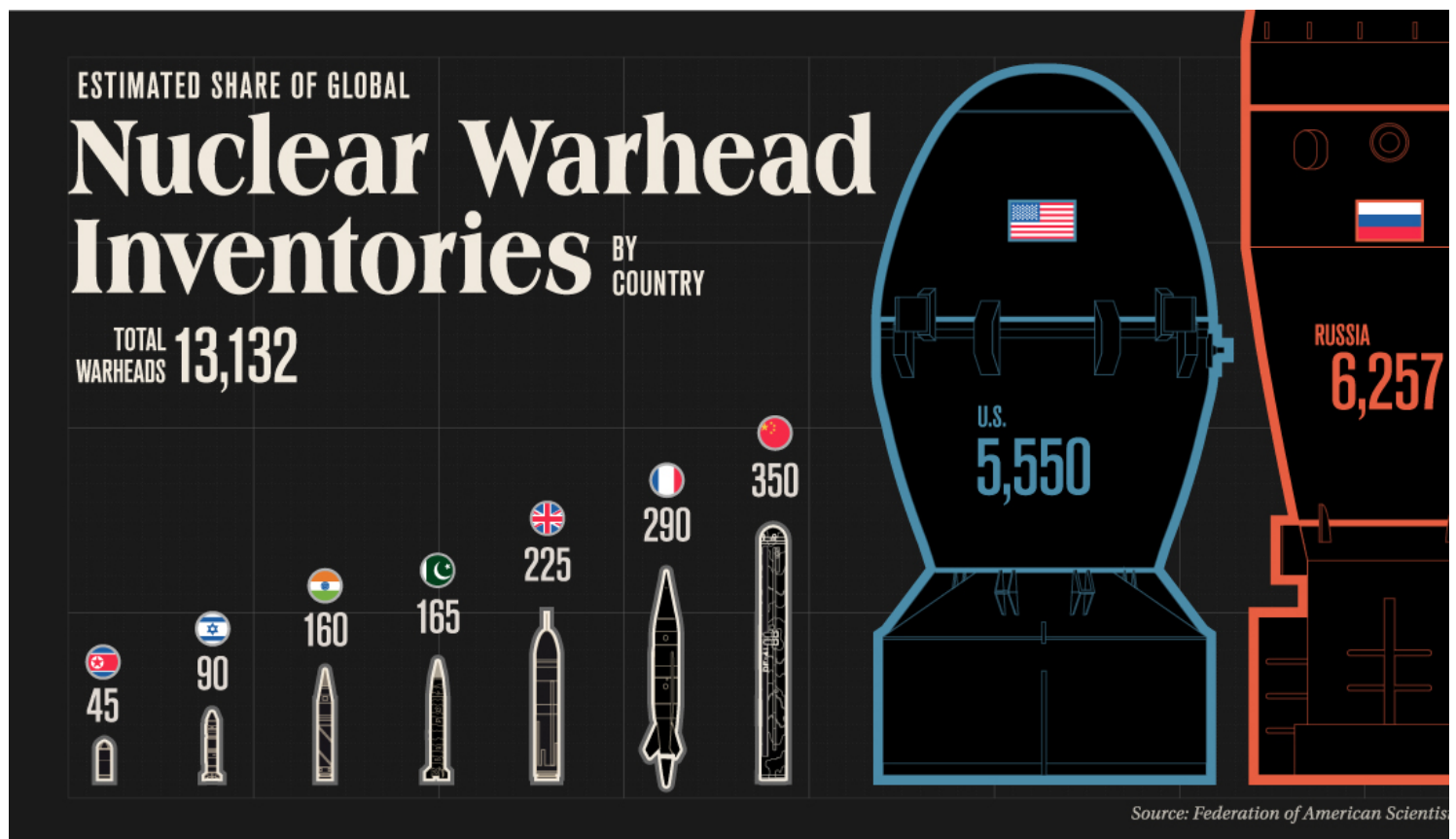
China's Economy: 40 Years of Soaring Exports

Visualizing China's Most Ambitious Megaproject

Which Countries Have the Most Nuclear Weapons?

How big is the world's nuclear arsenal? Here are the stockpiles of the nine countries with nuclear weapons.

By **Omri Wallach**



Which Countries Have the Most Nuclear Weapons?

In theory, nuclear weapon stockpiles are closely held national secrets. The leading countries have rough estimates that aren't regularly updated, newly nuclear countries keep their capabilities vague and unclear, and **Israel** has never officially confirmed a nuclear weapons program.

But thanks to limited disclosures, records, and leaks, we can visualize the full extent of the world's nuclear arsenal. This graphic uses estimated nuclear warhead inventories from the Federation of American Scientists as of August 2021.

Based on these estimates, there are just **nine countries** with nuclear weapons in the world.

CONTINUE READING

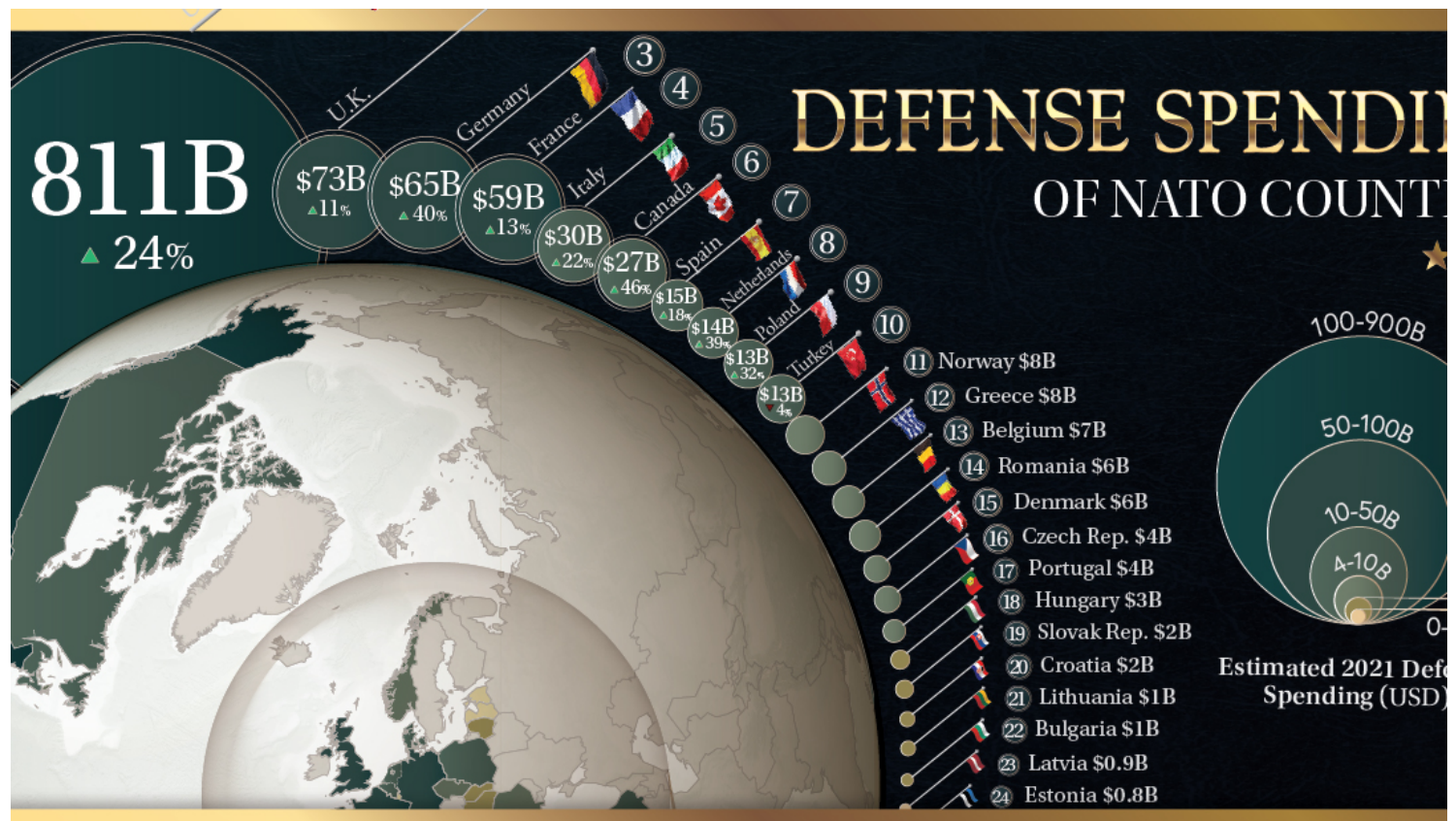
This is How Much NATO Countries Spend on Defense

How much does each country in the military alliance contribute to NATO defense spending? We break it down with this map.



Published 1 week ago on September 23, 2021

By **Avery Koop**



This Is How Much NATO Countries Spend on Defense

The North Atlantic Treaty Organization (NATO) exists for the sole purpose of facilitating a political and military alliance between almost 30 countries. All are obligated to one another in times of war, but some countries have much stronger militaries and defense systems than others.

Using data from [NATO](#), this map reveals what each NATO member country spends on its own national defense.

Note: Numbers are 2021 projections.

Biggest NATO Defense Spenders

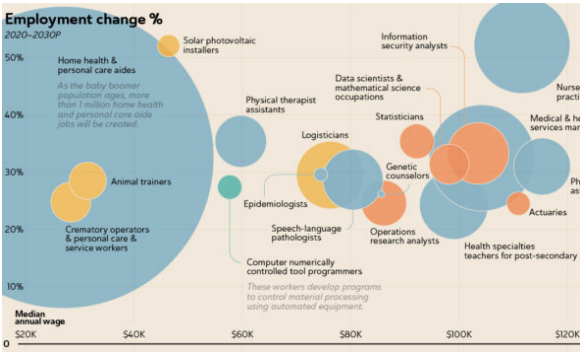
CONTINUE READING

POPULAR



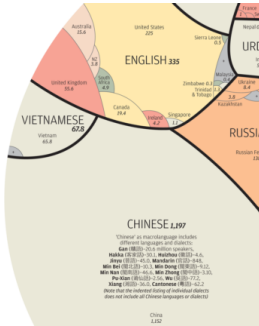
GREEN / 3 weeks ago

The World’s 25 Largest Lakes, Side by Side



ECONOMY / 3 weeks ago

The 20 Fastest Growing Jobs in the Next Decade



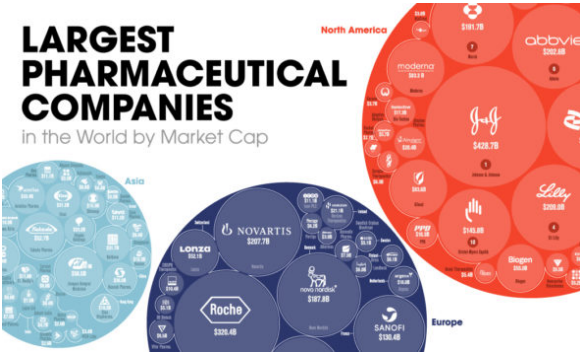
MISC / 3 weeks ago

All World Language Visualization



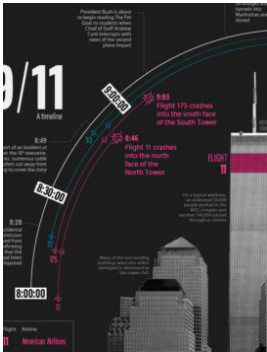
MISC / 4 weeks ago

Razor Thin: A New Perspective on Earth’s Atmosphere




HEALTHCARE / 2 weeks ago

Visualizing the World’s Biggest Pharmacy Companies



MISC / 3 weeks ago

9/11 Timeline: The Day That Changed Everything



[f](#)[Twitter](#)[YouTube](#)[in](#)[Instagram](#)[RSS](#)

[ABOUT](#)[SUBSCRIBE](#)[VC+](#)[MASTHEAD](#)[PRESS CENTER](#)

[CONTACT US](#)[FREQUENTLY ASKED QUESTIONS](#)[STORE](#)[USE OUR VISUALIZATIONS](#)

Copyright © 2021 Visual Capitalist