



## NIGERIA-CHINA TRADE RELATIONS AND ITS EFFECT ON ECONOMIC DEVELOPMENT OF NIGERIA 2015-2018

BY

Yunana, Yakubu Aku, PhD<sup>1\*</sup>, Yunana, Titus Wuyah, PhD<sup>2</sup>

<sup>1</sup>Department of Political Science, Nasarawa State University, Keffi

<sup>2</sup>Department of Economics, Nigeria Police Academy, Kano-Nigeria



### Article History

Received: 25/01/2025

Accepted: 02/02/2025

Published: 04/02/2025

Vol –4 Issue – 2

PP: -01-09

### Abstract

*Nigeria-China trade relations have become vital channels for economic activities in Nigeria and subsequently economic growth and development. This study examined Nigeria-China trade relations and its effect on economic development in Nigeria. The study adopt the survey design which involves systematically gathering information from a sample of entities for the purpose of constructing signifiers of the attributes of a larger population of which they are members. The study employed simple descriptive statistics and content analysis in the analysis of data collected from questionnaires and interview. 291 questionnaires were administered but 207 were collected and analysed while 9 respondents were interviewed. The study revealed that Nigeria-China trade relations have increase trade volume in Nigeria but affected the economic growth and development of the country as results of much importation than exportation. The study therefore recommends that Nigerian Government should discontinue from export to China since it affect economic growth due to the fact that they only have limited goods to export with China while they import virtually everything from China.*

**Key words:** Nigeria, China, Trade Relations, Economic Development

## 1. Introduction

Nigeria and China share some features in common. Nigeria is the most populous black Nation on earth; China is the most populous nation on earth. Nigeria is the giant of Africa; China is the giant of Asia. Both nations are independent states. Nigeria and China began relationship over four decades ago. These similarities are not the only reason China and Nigeria began trade relations. No nation of the world is completely self-sufficient and since nature endowed different countries with different kinds and amounts of resources, nations of the world must relate to give out to other nations those resources they have in abundance, and receive those resources they need.

Another reason independent Nations enter relations with one another is national interest. National interest refers to the set of goals which a state would like to realise if possible, in relation with other countries in the international system (Gregory, 2009). These sets of ideals include but not limited to exploring and exploiting resources for the satisfaction of well-being of the citizens. Nature does not design states to be self-sufficient. Some resources required achieving the well-being of the state and her citizens lie outside its territories

(Moghalu, 2013). To achieve this national interest objective, countries design, formulate and implement foreign policies to attract these scarce resources from other countries. Thus, they enter trade relations with other countries for mutual interests and benefits. Sovereign states do not just compete but also exploit each other in pursuit of their national interests to secure maximum security and prosperity for their citizens. Genuine co-operation is possible only when all parties win something for their people. The diplomatic team of different states often engages in countervailing practices and horse-trading aimed at exploiting or even circumventing the international rules to appropriate a disproportionate share of the global development dividends to their citizens (Ogunkola, 2008).

As a nation, Nigeria's economy on its own cannot serve the needs of the people. The country's economic performance has been driven by the oil and gas sector (Ogunkola, 2008). The agricultural sector has been neglected leading to food imports. The decline in the performance of the agricultural sector has been dramatic since the discovery of oil (Omede, 2003). The manufacturing sector has not performed even better. It has been recognized that sustainable development of the Nigerian



economy rests on the diversification of the economy away from oil and gas to non-oil sector and this should be based on the country's abundant resources and comparative advantage (Ogunkola, 2010). At the same time, it has been discovered that bilateral or multilateral trade would be beneficial to Nigeria's economy. To this end, the country has remained open to trading with other nations of the world

Nigeria entered into a bilateral trade agreement with China in 1971 and during this period, there were no unique economic activities between Nigeria and China. It was in 1995 that economic activities between the two nations started which was during the time of Late General Sani Abacha who initiated a contract with the Chinese government during his rule. However, the Nigerian-Chinese Chamber of commerce was founded in 1994 during the late Sani Abacha regime which he initiated steps that drew China closer to Nigeria (Ogunsanwo, 2007).

In May 1999 when Nigeria returned to constitutional democracy, President Obasanjo visited China twice in 2001 and 2005 respectively with his Chinese counterpart reciprocating both visits. China and Nigeria have also signed agreements on trade, economic and technological cooperation as well as on investment protection (Adeleke, 2010). In 2004, the volume of trade grew by 17.6 percent, with Nigeria's exports to China registering a growth of 330 percent. China's main exports to Nigeria are light industrial, mechanical, and electrical products. China's main imports from Nigeria are petroleum, timber, and cotton (Dickson, 2013).

The trade relations between Nigeria and China have become an issue for scholastic debates. While some scholars see the relationship between these two nations to be mutually beneficial, others believe that the Chinese have rather exploited the Nigerian economy for their selfish economic gains. Some analysts argued that China's emerging interest in Africa is also about extending China's geopolitical reach (Egbula&Zheng, 2011). For these scholars, "China seeks to position itself as a hegemony in the international arena" and to position herself as an alternative powerhouse to America". The South African Institute of International Affairs (SAIIA) identifies China's emerging role in Africa as much broader than economic investment, one that reflects wider changes globally as China is attempting to be a major player in international policies in the 21st century in terms of not only economic investment, but also military expenditure and peace building across the numerous post-conflict environments in Africa (Agenor, 2004).

This study analyses Nigeria-China trade relations and economic development for four years period, 2015 – 2018 with a view to analyses the trends, composition, and trade intensity between the two countries. This analysis gives an in depth understanding of the direction, magnitude, and nature of trade between Nigeria and China.

## 2. Literature Review

### 2.1 Conceptual Review

#### Concept of Development

The concept of development is devoid of a universally accepted definition. Different scholars conceive it in different ways. For Rodney (1972), development is a multifaceted process. At level of social group, it entails the ability of the people to regulate both internal and external processes. At the individual level, it refers to increase skills and responsibility, discipline, and the material wellbeing of the individual. In an economic sense however, development is the ability of the people to tap the resources in the environment and the extent to which these resources are used for the wellbeing of the people. This shows that development involves both quantitative and qualitative changes in the lives of the people.

### 2.2 Empirical Review

#### Nigeria-China Relations

Ibrahim et al (2020) posited that, Nigeria-China relationship was confirmed by the two nations as a reality in international diplomacy and it covers both countries stand on major world issues. Dialogue was used as an opportunity to appraise Nigeria – China bilateral relations. This was with the view of understanding past limitations and improve the existing one prescribe ways of making such improvement. The dialogue, in this context prove wonderfully useful despite the existing good relations which began with the visit of Yakubu Gowon to China in 1972, a lot has been achieved in terms of realizing the basic objectives of the existing agreements.

Dickson (2013) stressed that, diplomatic visits were made by leaders of both countries, agreements between the two countries were signed, Chinese companies were awarded contracts to become involved in oil production in Nigeria, the refurbishment of the long-neglected Nigeria railway corporation, the dredging of seaports at Calabar and Warri, and development of mass housing projects. He further stated that, the trade between Nigeria and China in 1995 reached \$10 million doubling the 1994 figure, indicating an increased economic interaction between the two countries. Dickson (2013) also noted that, the growth of the Chinese economy in the last one and half decade has been phenomenal, and it holds some attraction for the Nigeria economy.

Ogunsanwo (2008) described the Nigeria-China relations as a tale of two giants. He traced this relationship to the 1960's and examined how the Civil War 1967-1970 impacted negatively on the bilateral relations between the two countries. More attention was given to comparison of the policies adopted by the two countries towards each other especially during the military rule in Nigeria. Ogunsanwo also made attempt to discuss the modern nature of Nigeria-China relations with emphasis on oil and China aid.

Ogunsanwo (2007) posited that the Nigeria – China diplomatic relations is highly a mutual and reciprocal relationship; it was necessary because each of the countries needed each other. However, Nigeria has many different states as partners in diplomatic relations, example USA, UK, and France, but all these states are taking the high advantage

of the relationship than Nigeria and the relationship is more exploitation because over many decades of diplomatic relations, Nigerian territory could not witness a change or development as a direct result of benefit of the relationship. Meanwhile, having diplomatic relations with China would give Nigeria a great source of positive change and development and keep Nigeria far from colonialism.

Ogunsanwo (2007) contends that Nigeria endorsed the support for the people's admission of the people's Republic of China in the united Nation Organization. Since then both countries had always supported each other in the struggle for independence and liberation. Peter (2013) noted that looking at China and Nigeria, there are commonalities and parallels that can be drawn, by size, Nigeria is about 10% of China, by population it is about 10% of China; by regional relevance they share status symbols; and internally they are both endowed with abundant natural resources. They also have similarities and differences in the historical legacy, historical development, pluralistic culture and so on. Like China, Nigeria is composed of numerous ethnic and religious groups and both have existed for many years. While both countries have the largest population on their respective continents and vast natural resources, both have relatively low per capital income, with China working earnestly towards normalizing this anomaly.

#### **Nigeria-China Economic Trade**

Many studies have been carried out Nigeria-Chinese economic and trade relations. One of the outstanding studies was by Gregory (2009) 'Elephants, Ants and Superpowers: Nigeria's Relations with China.' Gregory considers economic and political relations between Nigeria and China as the most important aspects in the study of the two countries bilateral relations up to year 2007. The rest of Gregory's work centered on the sectorial relations starting with the critical oil and gas sector, and followed by power generating, rail transport, construction, communication, manufacturing and financial sectors. However, areas yet to be covered in Gregory's work in the view of Nigerians towards Chinese goods-most of which are inferior and substantial.

Utomi (2008) also examined the evolution of trade and diplomatic ties between Nigeria and China particularly from 1999 to 2007. Utomi's work covered key economic issues that were left untouched by other writers especially the non-state actors in the economic relations between the two countries, under study. Although, Utomi's work did not look at some important areas i.e. military, culture, politics etc his work is useful in providing details on the short comings of the relationship between Nigeria and China from 1999 to date. Davies (2008) writing on China and Nigeria trade relation noted that, Chinese manufacturing sector has created enormous demand for oil, material, and energy resources. China has been able to adopt its foreign policy to its domestic development strategy to an unprecedented level by encouraging state-controlled companies to seek out exploration and supply contracts with countries that produce oil, gas and other resources. China aggressively courts the Nigerian government with diplomacy, trade deals, and aid

packages. The strategy targeted Africa as its source of oil and Nigeria being the major producer of oil is not excluded.

It is assumed that China-Africa relations would continue to grow with the development of strategic alliance through FDI, which is already happening. This notwithstanding, the impact of Chinese FDI on exports, imports and economic growth in Nigeria indicates that the bilateral trade is not favourable in the short run but there is a possibility that the relationship might enhance economic growth in the long-term (Dejiri-Wake, 2009). Chinese-Nigeria trade volumes almost tripled from \$1.1 to \$3.1 billion between 2002 and 2005 (Ayoola, 2013). China has set up over 30 solely owned companies or joint venture in Nigeria actively involved in the construction, oil and gas, technology, services and education sectors of the Nigerian economy. China main exports to Nigeria include motorcycles, machinery equipment, auto parts, rubber tires, chemical products, textiles and garments, footwear, cement, and etc. Nigeria's export products to China include, mineral fuel and lubricants, followed by crude materials excluding food and fuel, beverages and live animals, manufactured goods, etc. it is indisputable fact that the influence Chinese in the area of economic and trade widen every day in Nigeria

#### **Nigeria-China Bilateral and Political Relations**

In contemporary international relations, trade cannot be realistically divorced from politics. Nigeria's bilateral relations with China have gradually become an issue of domestic concern as Nigerians have become aware of lack of balanced trade. It has been observed that this situation has led to a great economic disequilibrium and to China's advantage. This signifies that the economic advantage has gone to China, regardless of increased trade volume between the two countries (Ogunsanwo 2007).

According to Falola, this relationship is a great opportunity for both countries but comes with some challenges (Adeleke 2010). China is an emerging superpower that is enthusiastic about giving aid to countries in Sub-Saharan Africa without any political constraints; however, they require an adherence to the "One China" policy as a requirement in its diplomatic relations with African countries, and this has not been a problem for Nigeria since 1971. One of the reasons why Nigeria established this strategic partnership with the People's Republic of China existed because China was actively recruiting support among UN General Assembly member states to vote in favour of Beijing taking the "China" seat at the UN (to replace the Taiwanese delegation that had held that seat from 1949) as the formal government of China, hence, Nigeria has expressed support for China in many circumstances.<sup>18</sup> For example: Nigeria supported Beijing's bid to represent all of China at the United Nations. Secondly, when China passed its Anti-Secession Law in 2005, President Olusegun Obasanjo expressed his support.

Kwanashie (2007) however, acknowledged that, the expansion of Nigeria's economic interactions with China is constrained by a number of factors. These include the imbalance in the structure of level of their trade, the inadequacy of the industrial infrastructure for promotion of

relations, the incidence of flooding of the Nigerian market with substandard goods from China and inability to implement various bilateral agreements between the two countries among other problems. The trade between Nigeria and China has largely followed a classical pattern of trade disequilibrium between the developing and the developed economies.

The structure of trade between Nigeria and China reflects the difference in the level of development of the two partners as well as high degree of complementarities that exist between their economies. While Nigeria's exports to China consist mainly of primary commodities, its imports from that country are made up of largely of industrial goods. Within this commodity groups, there have been some important changes in the structure of trade over the years (Peter, 2013).

In consonance with this need, China devised economic policy strategies to penetrate the markets of the South. China's rapidly expanding industrial base has provided impetus for its expanded economic penetration of Nigeria, a relatively large market with immense purchasing power. (Bukarambe 2005, Gregory, 2013.)

#### **Trade Relations (Nigeria-China) and Economic Growth/Development**

International trade has been and is today an economic force that has spurred commerce, promoted technology and growth, spread cultural patterns, stimulate exploration and colonization, and frequently fanned the flames of war. The history of international trade has gone hand in hand with the development of civilizations. From ancient times, international trade brought about the exchange of products and raw materials between one land or nation and another, though it was conducted in the form of barter, and in small volume. This interchange of products was important in economic and historic development.

Despite all the concerns voiced from certain quarters about Nigeria's trade relations with China, most Nigerians recognize that China's growing presence is likely more beneficial than harmful one of the areas is China Loan Conditions. China is known for its policy of offering unconditional aid what it calls "co-operation" to help in reaching development goals. For example, to boost Nigeria's agricultural output, hundreds of Chinese specialists are bringing new techniques and technology to bear (Adeleke, 2010).

Western powers that claim a desire to help Nigeria develop are often perceived as insincere, with their own aid being viewed as an infringement on Nigeria's sovereignty, since it often comes with strings attached. In this respect, China is seen as non-hypocritical and more respectful of the Nigerian peoples' aspirations to manage their own affairs without fear of meddling by a foreign power. Many scholars are of the view that promises of Western aid often infringed on Nigeria's sovereignty and led to meddling in the country's internal affairs. Conversely, they argued that China's no-strings-attached policy made relations on foreign aid and trade more manageable and user friendly (Udeala, 2010).

### **2.3 Theoretical Framework**

#### **Centre Periphery**

The Centre periphery theory was developed by Galtung in the 1960's it takes a wholistic and multidimensional approach of dynamic social phenomena and a cohesive hypothesis about social change. The theory ranks individuals on eight dimensions with the highest ranked a top dog located in urban communities in central districts and has a superior position. Generally individuals with the best life prospects can be referred to as Top dogs, those with comparatively less can be referred to as underdogs. (Galtung 2009)

Galtung (2009) ascribes the holistic social position of an individual as a set of positions in all simple world structures. The holistic world position of a state or a nation is a set of positions in all simple social structures while the wholistic world position of a state or nations is a set of positions in all simple world structures. The holistic individual nature comprises of two layered multiple structures while the holistic rank position of an individual can be defined as "a number of high ranks (Top dogs) and all simple social structures. The holistic world rank of a state/nation is the number of high (Top dogs /ranks in all simple structures (Galtung 2009)

He views power as the root of these relations which can be further classified as force bargaining persuasion and decision he further gives an example of these types of power with force ascribed to Power, Economic ascribed to bargaining, cultural ascribes to persuasion and political decision

Even though Nigeria and China have cooperated for mutual economic benefits, the relationship between Nigeria and China could better be explained within the Centre periphery theoretical foundation, in which the trend of relations between the two countries favours China as the senior partner in the relationship, a position she has been using to condition Nigeria's development pattern to produce the raw materials needed for China's industrial growth in return for Nigeria's reliance on imported goods from China instead of producing its own, thus leading to imbalance of trade for Nigeria.

### **3. Methodology**

The data for this study were generated from a primary sources through the use of opinion survey and structured questionnaire administered to the staff of the federal Ministry of Foreign Affairs Abuja, Staff of Chinese Embassy in Abuja, Staff of Ministry of Trade and Investment, participants at the Nigerian Institute for Policy and Strategic Studies (NIPS) and authorities and scholars in the field of International Relations, Political Science, Economics and History from Nasarawa State University, Keffi. The study adopts the survey design which involves systematic gathering of information from a sample of entities. The Yamane model (Yamane 1967) was used in selecting the sample size. The sample size of 303 was distributed to the 6 focus participants using the random sampling technique based on number of persons in each population sample, thus a total of 291 questionnaires were administered and 12 interviews was conducted which makes the entire population size 303. The study employed simple



descriptive statistics and content analysis in the analysis of data collected from questionnaire and interview. 291 questionnaires were administered but 207 were collected and analysed while 9 respondents were interviewed. Data collected were analyzed using both quantitative and qualitative methods using excel and Statistical Packages for Social Sciences (SPSS).

## 4. Results and Discussion

### 4.1. Discussion of Questionnaire Results

#### Demographic Characteristics of Respondents

The study administered 291 questionnaires to the sample size of this study and only 207 questionnaires were returned and analysis as presented below:

**Table 1: Gender of the Respondents**

Gender	Frequency	Percentage	Valid percentage	Cumulative percentage
Male	163	78.7	78.7	78.7
Female	44	21.3	21.3	100
Total	207	100	100	

Source: Field Survey, 2023

The table 1 above shows that 163 respondents are male and 44 respondents is female which represents 78.7% and 21.3% respectively. The result shows that majority of the respondents under investigation are male. Figure 1 show clear picture of the sex of the respondents

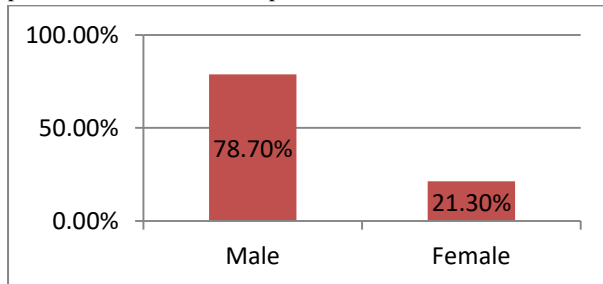


Figure 1: Sex of the Respondents

**Table 2: Do you think the Nigeria-China trade relation has increased the volume of Nigeria trade with china?**

	Frequency	Percentage	Valid percentage	Cumulative percentage
Strongly Agree	127	61.4	61.4	61.4
Agree	39	18.8	18.8	80.2
Strongly Disagree	41	19.8	19.8	100
Disagree	0	0.0	0.0	100

Undecided	0	0.0	0.0	100
Total	207	100	100	

Source: Field survey, 2025

Table above shows that 127 respondents which represent 61.4% strongly agreed that Nigeria-China trade relation has increased the volume of Nigeria trade with china while 39 respondents representing 18.8% agreed that Nigeria-China trade relation has increased the volume of Nigeria trade with china. This result means that 166 respondents representing 79.9% agreed that Nigeria-China trade relation has increased the volume of Nigeria trade with china. This is in confirmation of the federal government report on Nigeria-China trade relations said that in the first half of 2022, Nigeria-China bilateral trade volume reached 12.03 billion U.S dollars, up by 7.1 per cent year -on- year. The trade volume between Nigeria and the Peoples' Republic of China now stands at \$25 billion, about N10.91 trillion as at October 2022. These trade volumes are mostly in the area of Mineral fuels, oils, distillation products, Oil seed, oleagic fruits, grain, seed, and fruits and so on. The findings also indicate that 41 respondents representing 19.8% disagreed that Nigeria-China trade relation does not increased the volume of Nigeria trade with china. This is a clear indication that these people are not aware of the trade volumes statistics between Nigeria and China as reasonable percentage is with a different and positive view. This study concludes that Nigeria-China trade relations have increased trade volumes with China.

**Table 3: Import of goods from China to Nigeria have negatively affected economic growth in Nigeria**

	Frequency	Percentage	Valid percentage	Cumulative percentage
Strongly Agree	153	73.9	73.9	73.9
Agree	19	9.2	9.2	83.1
Strongly Disagree	20	9.7	9.7	92.8
Disagree	9	4.3	4.3	97.1
Undecided	6	2.9	2.9	100
Total	207	100	100	

Source: Field survey, 2025

Table 3 shows the statistics of the respondents on whether import of goods from china to Nigeria have negatively affected economic growth in Nigeria. This result indicates that 172 respondents representing 83.1% of the entire sample size who respondents to the questionnaires agreed that import of goods from china to Nigeria have negatively affected economic growth in Nigeria. 29 respondents representing

14.0% disagreed and are of the opinion that import of goods from china to Nigeria does not have negative effect on economic growth in Nigeria. 6 respondents representing 2.9 failed to respond to this question. Economic theory said that importing activity of a country can influence its GDP, its exchange rate, and its level of inflation. A growing level of trade deficit can have a negative effect on a country's exchange rate. When there are too many imports coming into a country in relation to its exports which are products shipped from that country to a foreign destination can distort a nation's balance of trade and devalue its currency. This means that too much importation of good not only from Chin only can affect the economic growth of a country. From this finding, it shows that import of goods from china to Nigeria have negatively affected economic growth in Nigeria.

**Table 4: Export of goods from Nigeria to China has positively influence economic growth in Nigeria**

	Freque ncy	Percenta ge	Valid percenta ge	Cumulati ve percentag e
Strongly Agree	13	6.3	6.3	6.3
Agree	08	3.9	3.9	10.2
Strongly Disagree	175	84.5	84.5	94.7
Disagree	07	3.4	3.4	98.1
Undecided	04	1.9	1.9	100
Total	207	100	100	

**Source:** Field Survey, 2025

The table above shows the result from questionnaires on “export of goods from Nigeria to China has positively influence economic growth in Nigeria” 4 respondents are undecided which means that they do not say whether export of goods from Nigeria to China has positively influence economic growth in Nigeria or not. The finding also indicates that 21 respondents representing 10.2% of the total respondents agreed that export of goods from Nigeria to China has positively influence economic growth in Nigeria. The result also shows that 182 respondents representing 87.9% disagreed that export of goods from Nigeria to China has positively influence economic growth in Nigeria. This means that export of goods from Nigeria to China does not influence economic growth in Nigeria. Some of the items that can be export from Nigeria includes; Ginger, Cocoa butter, Rubber, Palm kernel oil, Textiles and garments, Gallstone, Sesame seed, Garlic, Yam tubers, Charcoal, Cotton, Cassava floor, Cashew Nuts, Honey, Shrimps, Snail, Chili pepper, Fruit Juice, Poultry, Cosmetics and Soap, wigs and hair attachments. Some studies don't believe Nigeria has any products to export to China profitably. Apart from carvings, paintings, glass and metal work or leather goods which are

produced through talent. Nigeria does not have the capacity to produce goods to international standards. This is not because the brain power is not available; it just happens that the priority of those with the resources is in the wrong place. There is more to building a factory. You have to maintain the building, machinery and train staff continuously to compete globally. This study conclude that the Nigerian Government should discontinue export to China since it affects economic growth because they only have limited goods to export with China while they import virtually everything from China.

**Table 5: Do you think the existing regulatory framework in place has affected economic development in Nigeria China Trade relations?**

	Freque ncy	Percenta ge	Valid percenta ge	Cumulati ve percentag e
Strongly Agree	44	21.3	21.3	21.3
Agree	67	32.4	32.4	53.7
Strongly Disagree	39	18.8	18.8	72.5
Disagree	13	6.2	6.2	78.7
Undecided	44	21.3	21.3	100
Total	207	100	100	

**Source:** Field Survey, 2023

The goal of Nigeria's trade policy is to promote the development of a private sector-led growth of the economy and to encourage production and distribution of goods and services for both the domestic and international markets with a view to achieving accelerated economic growth and development. Table 5 shows the responses on questionnaire question “do you think the existing regulatory framework in place has affected economic development in Nigeria China Trade relations?” 111 respondents representing 53.7% agreed that the existing regulatory framework in place has affected economic development in Nigeria China Trade relations, 52 respondents representing 25.0% do not agreed that the existing regulatory framework in place has affected economic development in Nigeria China Trade relations, while 44 respondents representing 21.3% remained indifferent as they failed to respond the this questions. This study concludes that the existing regulatory framework in place has affected economic development in Nigeria China Trade relations as majority of the respondents said.

**4.2 Summary of Findings**

This study examined the Nigeria-China trade relations and its effect on economic growth in Nigeria. The study uses simple descriptive statistics and content analysis and examined the impact. The study revealed that Nigeria-China trade relations have increased trade volumes with China. This means that too much importation of good not only from China only can affect



the economic growth of a country. From findings, it shows that import of goods from China to Nigeria have negatively affected economic growth in Nigeria. This study also finds out that the Nigerian Government should discontinue export to China since it affects economic growth because they only have limited goods to export with China while they import virtually everything from China. The existing regulatory framework in place has affected economic development in Nigeria China Trade relations as majority of the respondents said. The study also finds out that that most of the policies by Nigeria in terms of its trade relationship with China are not effective. This is a clear indication that Nigeria China trade relation has favoured China than it has favoured Nigeria as shown by the percentage of the respondents. Study reveals that there are problems (obstacles) confronting Nigeria-China trade relations as majority of the respondents said. The study discovered that Nigerian-China trade relations improved the diplomatic relationship between Nigeria and China as majority of the respondents indicated. . This means that Nigeria-China trade relationship does not affect Nigeria Foreign policy with China as majority of the respondents are with that opinion.

This study analyzes Nigeria-China trade relations and its effect economic development in Nigeria spanning the period 2015-2019. Nigeria and China share some features in common. Nigeria is the most populous black Nation on earth; China is the most populous nation on earth. Nigeria is the giant of Africa; China is the giant of Asia. Both nations are independent states. Nigeria and China began relationship over four decades ago. These similarities are not the only reason China and Nigeria began trade relations. No nation of the world is completely self-sufficient and since nature endowed different countries with different kinds and amounts of resources, nations of the world must relate to give out to other nations those resources they have in abundance, and receive those resources they need.

## 5. Conclusion and Recommendations

Nigeria-China relations has been flourishing since the two countries established their diplomatic relations in 1971; but even the blind has seen that it is an asymmetrical relationship where the economic and trade balance has more been to China's favour. Nigeria is the weak vessel in the partnership. China is currently the second richest country in the world, displacing Japan to the third position. In that position, China has flooded Nigeria with its manufactured goods. Nigeria on the contrary depends on rents from crude oil and some unprocessed agricultural products exported to countries like China; Nigeria is unlike China; Nigeria, is a very poor country. The contemporary challenges discussed in this article constitute the major obstacles in the Sino Nigeria relations. As the economic and trade gap between China and Nigeria keeps widening with a disproportionate favour to China, the possibility of eliminating this asymmetry is remote, particularly in a world where economic issues are structured. Nigeria's reliance on exhaustible oil, whose price per barrel has plunged downwards by over 50%, has not helped the

African giant. Nigeria's plight is worsened as countries technologically, develop alternative sources of energy. China cannot solve Nigeria's problems even as a dependable ally.

This study examined the Nigeria-China trade relations and its effect on economic development of Nigeria, the study has come up with the following recommendations according to the findings:

- i. Nigeria should be cautious of the nature of its economic relations with China, thus, taking into cognizance of the intentions of China in the economy, as China's aim is to exploit the resources in the country and secure a ready market for its manufactured goods. And taking note of the fact that global trading in some sectors is always to the disadvantage of Nigeria as a primary producer of raw materials, Chinese investors should abide by the terms of the Memorandum of Understanding (MOU) in all sectors of Nigerian economy not just on document, but also in its implementation.
- ii. The Nigerian and Chinese Governments should encourage the learning of both Mandarin Chinese and English language in the sector so that language will not be a barrier between the Chinese investors and Nigerian officials.
- iii. Strong pressure must be placed on Nigerian leaders to effectively balance Chinese engagement to maximize growth and opportunity.
- iv. There should be a synergy between the Nigerian government and Sino-Nigerian stakeholders, to ensure coherence in strategizing policies and efforts aimed at bridging the trade imbalance between the two countries in favor of Nigeria. Nigeria should also diversify its exports from primary to secondary products to increase its product value in China, in order to generate higher foreign exchange earnings. Nigerian government should pass legislation against the import of inferior Chinese goods.
- v. Nigerian Government should depend much on the import of goods from China since it affects economic growth in terms of real domestic product. They should start to produce their goods and consume them. They should re-strategies our export promotion policies to encourage indigenous goods. They should ban China's product if need be because of the high exchange rate (51.03) and try to minimize corrupt practices in Nigeria

## References

1. Adeleke, A. A. (2010). *Nigeria and Japan: A Historical Analysis of Forty-Six Years of Peaceful Relations, 1960-2006*. *African Nebula*, 2:107-126.
2. Agenor, P. (2004). Does Globalization Hurt the Poor? *International Economic and Economic Policy Journal*, March, 2004
3. Agubamah. E. (2013), Bilateral Relations Periscoping Nigeria and China Relations, *European Scientific Journal*, 10 (14).

4. Ake, C. A., (1981:55), *Political Economy of Africa*, London: Longman Group Ltd.
5. Ayoola.T.J (2013) Nigeria-China Trade Relations: Implications on the Domestic Economy. Research, *Journal of Finance and Accounting 17(17)*, 2013
6. Baran, P. (1957). *The Political Economy of Growth*, New York, New York Monthly Review Press.
7. Bukarambe, B. (2005) *China Nigeria Relations the unknown Sino Dynamics* in Ogwu U. (ed) New Horizon for Nigeria World Affairs Lagos. NIIA.
8. Casin M. H (2018) *Realist theory in International Relations* in Ari. T(ed) Theories of International Relations, Contemporary Debates and Approaches Anadolu, Anadolu University Press
9. Chen.M. (2008) Reconceptualizing the competition cooperation Relationship: A Transparadox Perspective, *Journal of Management Inquiry sage periodicals press Volume 17*, 2008.
10. Davies M.J. (2008) *Special Economic Zones China Development model comes to Africa* in Rotberg R.(ed.) Brookings, Brookings institution press world peace foundation.
11. Dejiri-Wake. N, (2009) *The impact of Chinese Investment and Trade on Nigeria Economic Growth*, Economic commission of West Africa working Paper.
12. Demirhan.E. and M. Masca (2008) *Determinants of Foreign Direct Investment Flows to Developing Countries: A Cross-Sectional Analysis*, Prague, Prague Economic Papers Number 4, p.356-369.
13. Dickson, M. (2013). An Assessment of the Diplomatic Relations between Nigeria and the United States of America in the Fourth Republic. *African Journal of Social Sciences 3(4)*, 200-213.
14. Dudley, B.(1982) *An Introduction to Nigerian Government and Politics*, Indiana, Indiana University Press
15. Egbula, M. and Zheng, Q. (2011) 'China and Nigeria: A Powerful South-South Alliance,' Sahel and West Africa Club Secretariat Report, No. 5, November, 2011
16. Emmanuel, A. (1971), '*Unequal Exchange: A Study of the Imperialism of Trade*', New York Monthly Review Press.
17. Ferraro.V.(2008) Dependence Theory an Introduction in G. (ed) *The Development Economics Reader*, London Routledge.
18. Frank, A. G., (1967), '*Dependent Accumulation and Underdevelopment in Latin America*', New York, New York Press.
19. Galtung J. (2009) *Multidimensional Social Position* in Kees V. et al *Multidimensional Social Science; An inclusive approach to social position and inequality*, Amsterdam Rozenberg Publishers
20. Gimba. Z. and Ibrahim G S (2018) China –Nigeria Economic Relations: The need for Greater Resource Management for Development, *International Journal of Trend in scientific Research and Development vol 2, issue 3 Mar-Apr 2018*.
21. Gregory, M. (2009) *Elephant Ants and Superpowers: Nigeria's Relations with China* South Africa Institute of International Affairs, occasional paper, No.42.
22. Kegley. C. (2007) *The Global Future: A brief Introduction to world politics*, Boston, Boise State University.
23. Kumar, N. (1999) *Globalization, FDI and Technology Transfer: Impacts on and Prospects for Developing Countries* London and New York: Rutledge.
24. Kwanashie, M. (2007). 'Sino-Nigeria Relations: Implications for trade. A contribution to the roundtable on Sino-Nigeria Relations. Economic and Political dimensions, organized by NIIA, Lagos, on 26th, September.
25. Mac-Ogonor, C. U. (1999). 'South-South Cooperation and Nigeria-South Korea Relations: A case of unequal Economic Relations in Okedudu S.(ed) Selected issues in third world development crisis, Evidence from Nigeria , Port-Harcourt, Paragraphs
26. Moghalu, K. C. (2013:167). "Emerging Africa". How the global economy's last frontier can prosper and matter. Australia, Penguin Books.
27. Ogunkola, E.O, Bankole, A. S. and Adewuyi, A. (2008:3). China-Nigeria economic relations. AERC Scoping Studies on China-Africa relations.
28. Ogunsanwo, A. (2007) "Nigeria and China" paper presented at a round table on Sino-Nigerian Relations. Economic and Political Dimensions, held at the Nigerian Institute of International Affairs, Lagos, on Wednesday, 26 August 2007.
29. Omede, A. J. (2003). '*Conceptualizing National Interest and National Security in Nigeria: A Strategic Perspective*'. *Illorin Journal of Business and Social Sciences*, 8 (1&2): 40-50
30. Onwubiko. E. (2006), A toast for China-Nigeria Ties. This day Lagos PP 27
31. Packenham, R. A. (1992). *The Dependency Movement: Scholarship and Politics in Development Studies*. Cambridge, Haward University Press
32. Peter. E. (2013) *Trade Gap Between Nigeria and China*, Beijing, Flower Press,
33. Ricardo.D.(1821) *On the Principles of Political Economy and Taxation*, London, London Press
34. Ricci.A.(2016) *Unequal Exchange in International Trade: A General Model Working Paper* Ubino, University of Ubino
35. Seim, L.T. (2009) *FDI and Openness: Differences in Response across Countries*. Bergen: Michelson Institute.
36. Servaes, J. (1990). *Rethinking Development Communication: One World, Multiple*



- Cultures. *Communication Socialist Yearbook*, Vol. 10.
37. Jackson R. and Sorensen G. (2013) *Introduction to International Relations Theories and Approaches*, Oxford, Oxford University Press.
38. Todaro.M. (2011) *Economic development 11<sup>th</sup> Edition*, Wesley, Wesley Education.
39. Tull, D.M. (2006). "China's Engagement in Africa: Scope, Significance and Consequences", *Journal of Modern Africa Studies*, 44 (3) Pp. 459 – 479. *Africa', Occasional Paper No 22, South African Institute of International Affairs, Johannesburg.*
40. Udeala. S. (2010) *Nigeria-China Economic Relations under the South-South Cooperation African Journal of International Affairs*
41. Utomi. P.O. (2008) *China and Nigeria*, Washington, Center for strategic and international studies.
42. Walsh, J. and Yu, J. (2010) 'Determinants of FDI: A Sectorial and Institutional Approach,' IMF Working Paper Number 10/187.
43. Yamane T. (1967) *Statistics: An Introduction Analysis Second Edition*, New York, Harper and Row