REFLECTIONS ON SINO-NIGERIAN ECONOMIC RELATIONS AND THE REGIME OF CURRENCY SWAP

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ABSTRACT: Made official in 1971, Sino-Nigeria bilateral ties have been sustained through mutual exchanges and cooperation especially in the area of trade. To Nigeria, this partnership is of strategic importance in the light of the derivable benefits from Chinese advancement in technological know-how. For China on the other hand, Nigeria's large market and huge deposits of natural resources have been tantalizing for its industrial/manufacturing sector. In spite of these, there has been a growing ambivalence on the part of analysts over the growing inequality and imbalance that has characterizing this economic relationship since its inception owing to the fact that Nigeria has been negotiating from a position of disadvantage. This paper attempts to examine the complexities of this relationship by interrogating and highlighting some of the domestic variables working against Nigeria, and also to examine the implications of the Currency Swap regime between Nigeria and China needed to bring about a favorable balance of trade for Nigeria in her trade relations with China. This research adopts a medley of two theories for analysis of this complex phenomenon namely, the Dependency theories and the Modernization theories.. Materials for the study are from secondary sources while analysis is descriptive and historical**.** It was discovered that poverty in Nigeria among other factors, is reinforcing Chinese dominance of the bilateral ties while the paper recommend, amongst others, boosting of local production of imported Chinese products and to institute an aggressive and proper consumption reorientation along the line of "buy Nigeria" rather than Chinese goods.

Keywords: *Soft Power, Bilateral Relations, Currency Swap, Balance Of Trade, Economic Investments, Neo-Imperialism.*

INTRODUCTION

A Brief Reflection on Contemporary Chinese and African Economies

There is no gain saying that China has distinguished itself around the globe as an economic giant in contemporary period. China, it should be recalled, is the most populated nation in the world. Its technological advancement has made China a country of trading choice and partnership across the globe. This technological advancement has equally made it a necessity for China to look outwards for sources of raw materials to feed its manufacturing industry so as to retain its competitive and comparative edge vis-à-vis her trading partners across the globe. Chinese economic status has equally elevated her as a political power. This status has been especially demonstrated in the third world and in Africa essentially through the soft power diplomacy.

On its part, Africa has a poor economic profile ranging from lack of technology, poor infrastructural development, poor balance of trade and payment and general state of economic backwardness in comparison with China. There is no doubt that this has led many African countries to look up to China as a succor to deal with these myriads of handicaps especially because of the seemingly attractive conditions or terms of their economic relationships with China.

Africa with its large source of relatively untapped natural resources has equally become a continent of choice for China. This is to say that economic partnership on its face value can be said to be mutually beneficial for Africa and China. It is therefore not too far-fetched the reason Nigeria has found China a better option for the realization of its of the objectives of of its economic diplomacy at the global stage.

Statement of Problem

China and Africa but especially Nigeria, are economically complimentary in the sense that both countries can mutually benefit from one another and still form a strong relationship which had been missing as a result of the Cold War when Nigeria was disposed to the Non-aligned movement. The huge deposits of natural resources in Nigeria and her large population are good trading incentive for the Chinese government. On her part, China's economic aids and comparatively cheaper finished goods makes the bilateral ties with it so attractive to Nigerian government. Based on the appreciation of the mutually reinforcing circumstances, the two governments have attached strategic importance to their bilateral economic relations.

Part of the problem of this study arouses the domestic variables and trade imbalance nexus in the Sino-Nigerian economic relations. The problem with the bilateral ties between the two countries has continuously raised the issue and/or question of trade imbalance on the part of Nigeria. Despite the flourishing and promising economic potentials of the two countries painting a deceptive picture of mutual benefits, Nigeria in reality has been negotiating from the position of disadvantage due to some domestic challenges. As Ezeanyika (1997) noted, various World Bank papers have identified such disabling factors as corruption, human right violations, economic mismanagement, and lack of popular participation in development. These factors work in mutual reinforcement and symbiotic relations with failing per capital income, ecological degradations, poor foreign debt profile, declining export earnings, increasing demands for foreign assistance, mono export economy and lack of economic diversification needed to boost the overall economic profile of Nigeria.

Recently, Nigeria and the Chinese government entered into bilateral currency swap deal to further ease and boost their trade relations. This seeming financial antidote has raised divergent views among Nigerians in particular and international political economists, in general. These economic analysts, mostly of the third world orientation perceive the currency swap as an inducement which can only worsen Nigeria's already struggling economy and further widen the existing trade imbalance between Nigeria and China. They argue that the weak economic base of Nigeria which manifests itself in trade disparity between the two countries is much of a disadvantage to her.

It is also assumed in some quarters that the currency deal may put more pressure on Nigeria’s economy by exacerbating its import profile thereby worsening the already balance of payment disequilibrium between the two countries. In addition, the swap deal has the tendency to slow down the developmental plans of the nation by encouraging foreign direct investment that can lead to capital flight by controlling the most local and infant industries and expropriating the economic surplus of these sectors via repatriation of profits, royalty fees, and licenses - a situation that can displace local entrepreneurs and cause unemployment in the system.

Economists of this orientation have called for caution with regard to the possible economic implication of the currency swap. Their fears is that if the deal is left unchecked, it can lead to surge in Chinese imports and turn the country into a dumping ground for Chinese goods. This condition negates the federal government’s import substitution agenda, and also can stifle domestic production.

The Chinese government, with their superior technological and industrial base may leverage the opportunities presented by this deal to divert the nation’s economic attention to China, leading to economic over-dependence and possible financial indebtedness.

The currency swap deal if handled with levity has the tendency of throwing up diplomatic rift between Nigeria and other nations at both multilateral and bilateral levels. Nigeria as a sovereign nation needs the cooperation of other nations to survive and must look beyond the immediate gain of the Yuan-Naira swap deal.

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Also, the swap deal has tendency to slow down the developmental plans of the nation by encouraging foreign direct investment that can lead to capital flight by controlling the most local industries and expropriating the economic surplus of these sectors via repatriation of profits, royalty fees, and licenses - a situation that can displace local entrepreneurs and cause unemployment in the system.

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These domestic drawbacks cause capital flights and deepens Nigeria-China trade imbalance. Nigeria's increasing dependence on imported Chinese capital and consumer goods and services has, left the domestic sectors in comatose. Nigerian markets are now a dumping ground for Chinese sub-standard products and because of no stiff competition from domestic products, Nigeria local manufacturing firms continue to fizzle away.

The dearth of industries and local manufacturing firms in Nigeria has left Nigerians at the mercy of Chinese products. Virtually all sector of Nigeria economy has been penetrated by Chinese merchandise from production, distribution up to the retail trade. The trade imbalance between Nigeria and China keeps widening with Nigeria economy assuming the position of subservience. This seems not to stop in the near future as Nigeria domestic political environment renders impossible the implementation of market-oriented economic reforms, and the requisite political stability and public order that can guarantee socio-economic growth is equally lacking.

For this and many other reasons economists as well radical analysts alike have called for caution with regard to the potential unbearable economic implications of the currency swap, their fears heightened by the surge in Chinese imports thay may turn Nigeria into a dumping ground for Chinese goods – a situation likely to negate the federal government's import substitution policy and capable, y extension to stifle local production.

Objectives of the Study

This study aims to critically appraise the China-Nigeria trade relations with a view to interrogating and analyzing the domestic variables that have put Nigeria in the position of trading disadvantage with China. The paper is also to suggest possible economic reforms that can be adopted by Nigerian government to ensure equilibrium with China putting into consideration global political economic dynamics, leveraging especially on the recent China-Nigeria currency swap.

Theoretical Framework

To explain the domestic drawbacks of Nigeria in its economic cooperation with China demands a variant of the modernization theory (Apter, 1965; Huntington 1968) which relies heavily on the traditional economic measurement of development to explain countries underdevelopment. This model views the problems of underdeveloped countries like Nigeria as being internally generated and internally sustained; the results of local structures, being inadequate for the task of increasing per capita income GNP (Henriot, 1973 cited in Ezeanyika, 1997).

To further understand the intricacies of the unequal economic cooperation between China and Nigeria, dependency theory was utilized. Dependency theory is of the notion that resources flow from a 'periphery' of poor and underdeveloped states to a "core" of wealthy states, enriched by the way poor states are integrated into the "world system".

This theory has its origin in the two papers published in 1949 – one, by Hans Singer, and the other by Paul Prebiseh in which they observed that the terms of trade from underdeveloped countries relative to the developed countries had deteriorated over time. The underdeveloped countries were able to purchase fewer and fewer manufactured goods from the developed countries in exchange for a given quantity of their raw material exports. The idea came to be known in scholarly circles as Prebish-Singer Thesis. The theory was used by the Guyanese Marxist historian, Walter Rodney, using the Latin America dependency model, in his book "How Europe Underdeveloped Africa", describing in 1972 of the third world that had been consciously exploited by European imperialists, leading directly to modern underdevelopment of most of the continent of Africa and Asia and Latin America (Wikipedia, 2018).

History of Sino-African Economic Relations

As Onuoha (2008) noted, economic cooperation between China and African countries can be traced back to the year 1960s, Although, prior to this time, it is reported that in the early 15th century, well before Europeans set foot on the continent, Chinese traders and explorers landed along the coast of Africa. Centuries later, china and Africa continue to renew these ancient ties.

The continent offers China both a market for its goods and vast supplies of untapped resources, including oil, while African governments, in recent time, have found Chinese companies more sensitive to their economic challenges than their western counterparts. China's seeming selfless aids to African countries have laid a solid foundation for the development of bilateral economic relations.

In the late 1950s and early 1960s, the African relations with China received a fresh boost as the Chinese considered the continent an important focus of revolutionary and diplomatic maneuvers. This consideration was based on the agitation for decolonization and the momentum within and outside the continent. It appeared the center of the world revolutionary activity had shifted to Africa (Lawkin, 1971, cited in Onuoha, 2008). In those African countries where the process of decolonization assumed forms of armed national struggles, the leaders of such mass movements often turned to China for assistance, and the latter willingly offered a helping hand to counterbalance the penetrations of western capitalists interest.

Immediately after the Chinese cultural-revolution and her admission into the Security Council of the United Nations in 1971, many African counties responded to these developments by recognizing China as a major world power and entered into diplomatic relations with her in the spirit of non-alignment. Nigeria as a matter of fact and the People's Republic of China established formal diplomatic relations on February 10, 1971. Relations between the two nations grew closer as a result of the international isolation and western condemnation of Nigeria's military regimes (1970-1998) (World Service Poll, 2014).

In 1978 when China initiated its "four modernization program", which revolves around de-emphasizing direct macro-management of the economy and unleashing the laws of market values, the attitude of African countries towards China underwent noticeable changes, and the frequency of economic exchanges increase. To adapt to these new developments in internal and external conditions, the Chinese government began to reform its foreign aids policies in 1995 to make the process more efficient. It was from then on that the Chinese government began to encourage, an even help domestic enterprises to invest in Africa and set up plants in many countries of Africa to further shore up friendly relations (Onuoha, 2008).

Historical Appraisal of Sino-Nigeria Bilateral Relations:

The bilateral relations between the Federal Republic of Nigeria and the People's Republic of China has expanded on growing bilateral trade and strategic cooperation, china is considered one of Nigeria's major trading and export partners. According to a 2014 BBC World Service Poll, 80% of Nigerian view China's influence positively, while only 10% expressing =a negative view, making Nigeria the most pro-Chinese nation in the world (World Service Poll, 2014).

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In 2004 and again in 2006, Chinese President Hu Jintao made state visits to Nigeria and addressed a joint session on the National Assembly of Nigeria. Both nations signed a memorandum of understanding on establishing a strategic partnership. China supported Nigeria's bid for a seat in the U.N. Security Council (Wikipedia, 2018).

Despite the seeming complexities of Nigeria-China relations, China has been a very supportive and strategic partner to Nigeria since the inception of their diplomatic relations. The strategic cooperation between the two countries is complementary, although unequal. Chinese bilateral relation with Nigeria is multidimensional extending through economy, aid, traded and politics.

China has been variously viewed by the Third World as a friend and ally, a competitor for markets and loans, a source of economic and military assistance, a regional power intent on dominating Asia, and a" candidate superpower" with such privileges as permanent seat on the UN Security Council can help to foster African world interest (Onuoha, 2008).

The volume of trade between Nigeria and China grew at low levels until rapid growth turned China in 1993 from a net exporter of crude oil to the second-larger importer of crude oil in the world. The trade value between the two countries grew by nearly 300 percent since 2004 and reached the peak of $7.2 billion in 2008. The trade volume between the two countries in 2009 reached $7.3 billion and $7.7 billion in 2010 respectively. With that level of trade, Nigeria is now the second biggest China trade partner in Africa. A surge in Nigeria imports to Chinese goods relative to Nigeria's export to China has resulted in a trade deficit with China and this is expected to grow significantly due to increased trade relations until Nigeria can offer its industrial producers home-grown alternatives of the same quality at competitive prices (Ayoola, 2013).

Nigeria-China Bilateral Trade, 2001-2008(US Dollar)

Year	Nig. Export to China	China's Export to Nigeria	Bilateral Trade Value	China's Export Total (%)
2001	227.4	917.2	1,144.6	80.1
2002	121.3	1047.1	1,168.4	89.6
2003	71.7	1187.5	1,859.2	96.1
2004	462.6	1719.3	2,181.9	78.8
2004	527.1	2305.3	2,832.4	81.4
2006	272.8	2855.7	3,133.5	91.1
2007	537.5	3800.2	4,337.7	87.6
2008	509.9	6758.1	7.268.0	93.0

Source: South African Institute of International Affairs (SAIA) (Agubamah, 2014)

From the table above, it's quite obvious that there exists trade imbalance between the two countries with China being on the favorable side, regrettably though, that is the case till date. The figures give a very clear indication of the lack of industrialization in the country (Nigeria) and bear witness to the disequilibrium of their economies.

The establishment of Chinese infrastructure has been valuable for Nigeria economy because it has built up Nigeria's manufacturing sector and increased quality and speed of construction, Nigeria though a major beneficiary of Chinese infrastructure, and financial aid received comparatively small volumes of Chinese infrastructure financing during 2002 and 2005. However, in 2006 there was a major surge when China made almost US$ 5billion of infrastructural financial assurances to Nigeria, which accounts for 70% of China's total guarantees to sub-Saharan Africa that year (Ogunkola, 2008 in Osakwe, 2012).

Chinese construction companies have brought to Nigeria the ability to do quality work at a fast rate. The most important factors are indeed access to capital and supply chain throughout. Given the rapid inroads that they have made in Africa's construction industries in a short period of time, it is undeniably evident that Chinese companies have aptitude to prepare quality work at fast rate. One of the advantages to Nigeria is the simplification of its access to loan capital, often through Chinese government concessional loans (Osakwe, 2012).

Chinese government has adopted various measures to promote trade and economic relations between China and Africa part of which is encouraging China's financial institutions to setup branches in Africa to provide effective financial services, for China-Africa trade, for example, the recent Nigeria-China currency swap for ease of doing business (Onuoha, 2008).

China intends to further promote its agricultural cooperation exchanges with Nigeria at various levels through multiple channels and various forms. No facet of Nigeria economy is spared by Chinese incursion into Nigeria since the inception of their bilateral ties. Nigeria transportation industries, especially railways are being handled by Chinese company e.g., the Kajola Specialized Railway Industrial Free Trade Zone in Ogun state. On the January 9, 2005 as well, a state-owned Chinese energy company CNOOC Limited announced it would buy a 45 percent stake in an offshore oil field in Nigeria for $2.27 billion (Onuoha, 2008).

Onuoha (2008) further noted that it seems most likely that the present trade imbalance between Nigeria and China will increase as China tries to achieve a great surplus in her African trade aimed at balancing the heavy imports from the industrialized countries. Thus, there is a visible determination by the Chinese to offset their trade deficit with the west, by striving to maintain trade surplus with their non-western trading partners.

In addition, African countries trade regime still remains post-colonial, with very little attempt being made to change the situation fundamentally. Since these prevailing circumstances, Nigeria trade with China has continued to be in deficit like its African counterparts.

Sino-Nigeria Currency Swap Deal

Nigeria, recently, on May 3, (2018) further deepened their bilateral relations with China by entering into a currency swap deal. Under the bilateral currency swap agreement, the People's Bank of China, PBC will receive about 16 billion Chinese Renminbi, (RMB), while the Central Bank of Nigeria (CBN) will give about $2.5 billion.

According to CBN governor, Godwin Emefiele, the funds would provide adequate local currency liquidity to Nigerian and Chinese industries to carry on their businesses. Also, the currency swap would assist other social businesses by reducing the difficulties they encounter on the search for currencies in their business transactions.

Emefiele further noted that the primary benefit would be to boost local currency liquidity in the Nigerian economy. Continuing, the governor noted that the deal would make Naira available to Chinese businesses, in return, supply of Chinese currency (RMN) would be guaranteed for their Nigerian counterparts, to boost speed, convenience and volume of transaction between the two countries (Premium Times, 2018).

With the significant presence of Chinese firms and other businesses in Nigerian economy in recent times, most of the companies executing various multi-billion dollars infrastructural projects for Nigeria have had to struggle with serious funding constraints to complete them. With the recent deal, the challenges would be over.

Deputy Chinese Ambassador to Nigeria, Lin Jing, said Nigeria is Chinese biggest investment destination in Africa as well as the second largest export market and third largest trading partner to China in Africa. Most of Chinese contracts in Nigeria include railway systems, roads, power, water, hospitals, petro-chemical plants, airport terminals as well as projects in the oil and gas sector. These contracts are majorly finance through counterpart funding arrangements between the Nigeria and Chinese government (Premium Times, 2018).

Under the swap arrangement, contract or businesses with genuine contract award documents can approach any of the accredited banks to request for credit facilities to execute the contract under terms and conditions to be spelt out in the approved guidelines. The import of the deal is not lost on average Nigerian as they see it as a means to crash the price of goods made in China, currently seen as too high for their present income strategy. They believe that since almost 70percent of the country's imports come from China and Asia, while just about 12percent come from USA, there is practically no business sense using dollars to transact business with China at more than N360 per dollar instead of 56.46 to the Yuan (Adigum, 2018).

However, no matter how juicy this deal may look for Nigerian economy, there is need for caution bearing in mind the already existing imbalance in Nigeria-China relations. According to Ken Ukoha, the President General of National Association of Nigerian Traders Association (NANTS), an umbrella body of businesses trading across the globe while speaking to national daily recently warned that we should "shine our eyes". He noted "The policy can trigger high volumes of imports into this country, which is good, but, of course, it can also trigger unrestricted import of substandard goods" (Adigun, 2008).

In a news conference on the currency swap policy of Nigeria, Boniface Okezie, the president of Progressive Shareholders Association of Nigeria (PSAN), observed that the currency swap deal was unnecessary since it would ensure that majority of the country's foreign trade deals are channeled to the Chinese economy, and this will lead to economic dependence despite the fact that Nigeria is a sovereign nation. Accordingly, this position echoes the recent warning by the US government that Nigeria and other African countries should be wary of Chinese deals. According to its immediate past secretary of states, Rex Tillerson, China "encouraged dependence, utilized corrupt deals and endangered Africa's natural resources". He added: "we are not in any way attempting to keep Chinese "dollars from Africa" … it is important that African countries carefully consider the term of those agreements and not forfeit their sovereignty in the process (Adigun, 2018).

Why China Succeeds in Africa and the Need for Caution

China, unlike the advanced western counterparts is having a field day in Africa as far as economic and trade relations are concerned. African is a fertile ground for Chinese style of business. Apart from Marxism-Leninism-Maoism ideology that has been a driving force and a major influence on China's foreign policy; other domestic factors encourage Chinese entrepreneurs in Africa. These includes but not restricted to the ideas that:

A. Chinese economy runs on a long term development plan sustained by any government in power. Change of leadership does not have any negative impact on long term economic developmental plans unlike Nigeria where the new regimes truncate and abandon the developmental programmes of the previous regime thereby taking the nations several steps backward.

B. Chinese government sees African leaders as partners not as subordinate. They don't really assume the position of the "Boss" even though they are, and Africa's are more comfortable with that than the western imperialists. China relates with African leaders on the basis of the principles of independency, equality, mutual respect and non-interference in each other's internal affairs. The purpose of such exchanges and relations is to increase understanding and friendship and seek cooperation (China's Africa policy, 2006 in Oksakwe, 2012).

Umejei, author of *Another Look At China's Trade and Investment* in *Nigeria* equally noted that Chinese trade in Nigeria should no longer be seen as inimical to the growth of Nigeria... that the Chinese do not interfere in the international politics of their trade partners, in contrast to the countries of the west who consistently put Nigerian into trouble by making them buy both their political and economic ideological posturing , hook line and sinker without giving a thought to how compatible those systems and structures are to Nigeria's own peculiarities (Umejei, 2011).

According to Morcraft (cited in Osakwe (2012), African leaders are increasingly scornful of western conditionalities; they are welcoming the far less hypocritical Chinese way of establishing business. In line with this, Festus Mogae of Botswana admitted: "I find that the Chinese treat us as equals, while the west as their former subjects. That is the reality. I prefer the attitude of China to that of the west. Because of all these, the Chinese are not imposing any ideology, it's a willing buyer, willing seller (Moorcraft, 2007).

Also, Chinese little or no regard for human right issues in Africa, endear them to African leaders who do not want to be questioned or ordered around by another sovereign state. China minds their business and respects each nation's definition of human rights.

According to Onuoha (2008), China's bargaining relationship with Africa is alarming, not only because it has facilitated Chinese energy and weapon dealings, but also because China pays little attention to African leaders' human right records vis-à-vis democratic principles. China does not have the same human rights concerns as United States, and European countries. So she can sell military hardware and weapons to nearly anyone. They operate on the principles of "non-interference in domestic affairs". Chinese leaders believe human rights are relative and each country should be allowed their own reaching them. Chinese, unlike the United States, do not mix business with politics

The mother of all factors sustaining and reinforcing Chinese business escapades within African region and Nigeria is the biting poverty level. A greater percentage of the population of Nigeria is living below poverty level and this category of people find the Chinese products considerably and comparatively cheaper and affordable. Also, the continued lack of infrastructures and local industries that can meet economic demands has aggravated the economic woes of the country. Consequently, the Chinese products will remain relevant as long as poverty level in the country persists.

It is pertinent to note, nonetheless, that the Chinese merchants are not "Sancta clause", but businessmen who trade for profit. As desirable and favourable as it might look at the face value, most of the Chinese aids have an inherent pitfall. Nigeria should know that as long as Chinese products keep saturating Nigerian economy, it will be difficult for local production to survive.

Chinese aids and trades should be taken with utmost care bearing in mind that most of their offer are embedded with entangling conditionalities that can result in mortgaging our national destiny and sovereignty. Nigerian government should borrow leaf from other countries who are looking beyond the juicy trade-aid offer if Chinese government.

According to Richard Kwame, an opinion columnist, he said, "signing a contract with China is like, ascribing it to the boiling frog effect; a fable describing a frog being boiled alive slowly. If you drop a fog suddenly into boiling water, it will jump out, but if you put that same frog in a vessel of water and start heating the water gradually, it will adjust its body temperature accordingly until it reaches a stage beyond its capacity and dies foolishly". Continuing, he added that; "it's rather pathetic how China is re-colonizing Africa by appealing to the ignorance and selfish interest of our leaders. Today, the Chinese are offering mouth-watering deals to Africa, both in cash transaction and the outmoded or rather defunct barter trade which seems very attractive on the outlook but dangerous in reality (Krah, 2018).

On the case of China-Zimbabwe relations, Krah (2018) observed that the Zambian government contracted the Chinese and glossed over details thinking they were granting consent to genuine terms but the whole things just morphed into modern day colonization. China is now proposing to take over the Kenneth Kaunda international airport should Zambian government fail to pay back its huge foreign debt on time.

Conclusion

Nigeria-China relation is a very strategic one. The state of Nigeria's economy at present makes China a very important partner in progress. China on the other hand, finds in Nigeria a strategic player in their African economic interest. As a result, a huge part of their investment in Africa is resident in Nigeria. Although some quarter is made-up of majorly intellectuals and economic analysts who perceive the bilateral ties from the position of ambivalence are calling for caution. Their discomfiture centres more on the danger of over dependence on Chinese economic aid and trade and the attendant negative impact on the Nigerian developing economy.

Recommendations

For Nigeria, an emerging economy with potentials of dominating the economy of the African region to succeed, it needs to trade with China with caution taking into cognizance the global economic dynamics and juxtaposing same with Nigeria's domestic realities'. It is advisable to leverage the economic opportunities our bilateral relation with China offers while as much as possible detach the nation's economy from assuming a subservient posture.

These can be done by:

i. Reviving the country's economic and infrastructural base to enable it compete and withstand Chinese business strategies and pressures.
ii. Boosting local production of most imported Chinese products in order to enable local industries survive, thus stabilizing the balance of payment disequilibrium.
iii. Institution of consumption reorientation toward a "buy Nigeria" mentality.
iv. Putting in place some form of economic nationalistic policies in terms of trade restrictions that will check the influx of Chinese substandard products.
v. Leveraging the naira-Yuan swaps to boost export of other local products apart from oil through diversification policy to check the trade imbalance.
vi. Reducing the rate of aid collection from China to avoid the deadweight impact of debt servicing on Nigeria economy which will further exacerbate the already poor trade balance profile of Nigeria.

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