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The Problems and Countermeasures of China-Nigeria Bilateral Economic and Trade Cooperation

Adira Augustine

Student, Department of International Business,
Sichuan International Studies University, China

Abstract:

Despite Foreign Direct Investment (FDI), trade, engineering contracts and labour force accounting for the most needed and welcomed phenomenon for the growth of a nation's economy in this new dispensation, the problems associated with achieving the sole motive cannot be over emphasized. Therefore, this article focuses on the problems and countermeasures of Nigeria and China bi-directional economic cooperation for a better and mutual foreign investment and economic benefit. The article utilized a comprehensive literature in the findings of the existing problems in the bilateral relation existing between the two countries, and also made use of data from 2000 to 2017 in the analyzing of the trend of cooperation between the two countries. Finally, the article puts up some suggestions for the both countries that is believed to foster their existing relationship into a more attractive, profit oriented FDI and general economic cooperation.

Keywords: China, Nigeria, FDI, economic relation

1. Introduction

The flow of Foreign Direct Investment (FDI), trade, engineering contracts and labour relationships from the western world into Africa, of which Nigeria is a key beneficiary, bringing in much needed capital, along with technological and managerial know-how to enhance the production and skill capacities in the country, also resulting in the overall growth of the country's economy has been a phenomenon that has existed for decades. Therefore, since the above mentioned economic relation serves as a key channel through which economic growth can be achieved, there is a need to strengthen existing relationship between any two participant countries. In the same vein, it is important to tackle various existing and prospective problems between China and Nigeria for a more future beneficial cooperation from China into Nigeria, as well as from Nigeria to china, as the paper centers on the relationship of the two countries.

Although China and Nigeria relationship dates back to 1971 (more than three decades), induced by the fact that the two countries have economic complementarities, and has recorded a remarkable benefit for the both players, there has also been some setbacks along the line of cooperation which has limited the success of most multinational co-operations in both countries. Considering the fact that China has developed one of the world's largest and most competitive construction industries particularly in the civil engineering field, rail way construction and in the textile industry, and presently operating the world's fastest-growing economies, with real annual gross domestic product (GDP) growth averaging 9.5% through 2018, a situation described by the World Bank as 'the fastest sustained expansion by a major economy in history, which has enabled China, on average, to double its GDP every eight years, and becoming the world's largest economy (on a purchasing power parity basis) Wayne M. Morrison 2019. These features are therefore critical for infrastructure development in this modern time, coupled with its ability to provide the necessary financial assistance and economic developmental capital to some countries in which Nigeria is a beneficiary, it becomes imperative to understand the trend of events between the two players for a better correlation and economic partnership.

With Deng Xiaping's reform policies of the 1970s and 1980s, China's sensational development and modernization, energy and market expansion consequently brought her into more diplomatic contact with Africa continent (Utomi 2009). Most authors has argued that this new expanded presence offered a partnership seen by Nigeria as an alternative model to Western relationships for the most part from Europe, America and Canada, which lead to the setting up of diplomatic relations at ambassadorial level in 1971 (Utomi 2009; Kwanashie, 2000). As a matter of importance, this paper sees the necessity to highlight on the With Deng Xiaping's reform policies of the 1970s and 1980s, China's sensational development and modernization, energy and market expansion consequently brought her into more diplomatic contact with Africa continent (Utomi 2009). Most authors has argued that this new expanded presence offered a partnership seen by Nigeria as an alternative model to Western relationships for the most part from Europe, America and Canada, which lead to the setting up of diplomatic relations at ambassadorial level in 1971 (Utomi 2009; Kwanashie, 2000).

Furthermore in order to ascertain the required result and motive of this study, there is a need to examine the competitiveness and complementarity of the bilateral trade between the two countries through combination and contrasts, study the current situation of trade cooperation between their developmental potential and trends, including

key directions on strategic areas for the purpose of strengthening further developmental cooperation between the two countries.

1.1. Literature Review

In the recent years, there have been abundant studies on China-Nigeria economic relations with divergent opinions. However, Ogunkola et al. (2008) in their book 'Nigeria-China Trade and Economic Relations' pointed out the recent developments in China-Nigeria relations presenting Nigeria with both opportunities and challenges, opportunities to learn from China's growth, development and poverty-reduction strategy, and maximizing the spill-over from China's growth in terms of supply of required inputs and services. Presently, China seems to be willing to share its successful model as an economic blueprint for other developing countries, although information about the Chinese activities in Nigeria points to increasing economic (trade, commerce and investment), social (health and education) as well as technical relation, the composition of Chinese FDI into Nigeria is still seen to be fragmented. As earlier stated, Nigeria and China commenced diplomatic relations in 1971, and by 1972, a six-man team led by Nigeria's top government officials were in Beijing, where both countries signed an open-ended agreement on economic and technical cooperation and trade, and over the years, both countries have enjoyed buoyant relations since the commencement of the bilateral relations (Ogunsanwo, 2008: 192). In 2006, Nigeria and China signed a Memorandum of Understanding (MOU) on the establishment of a strategic partnership, making Nigeria the first African country to sign such with China (Taylor, 2007: 631).

According to Olawale et al (2008), China has set up over 30 solely owned companies or joint venture in Nigeria actively involved in the construction, oil and gas, technological services, communication and in the education sectors of the Nigerian economy. Similarly, levels of Chinese Foreign Direct Investments (FDI) in Nigeria are the second-highest in Africa after South Africa (Egbula and Zheng, 2011: 6) and by 2010 Nigeria was China's fourth biggest African trading partner and second largest Chinese export destination in Africa (Egbula and Zheng, 2011: 6). The two-way trade trend between China and Nigeria has seen growth from US\$17.7 billion in 2010 (Egbula and Zheng, 2011: 6) to US\$ 23.5 billion by first quarter of 2015 (Okafor, 2015), and a total of US\$ 13.4 billion from 2016 to 2017 (China statistic yearbook 2018). Also, the friendly relations between both countries were reaffirmed at the 70th General Assembly of the United Nations in New York, where leaders of both countries pledged to sustain bi-lateral relations and strategic partnership (Fmprc, 2015).

1.2. Objective of Study and Methodology

The objective of this study is to by the use of literature review, data analysis, identify the problems encountered in china-Nigeria economic relation in the recent years, and suggest some remedial measure that is believed to enhance more mutual collaboration between the two countries, and respectively foster economic growth among them.

The paper will mainly include theoretical and empirical research methods. In the theoretical part, literature analysis and logical deduction method will be used., the empirical part will include data collection and processing method respectively.

2. China Nigeria Economic and Trade Relation Overview

Recent developments in China and Nigeria relationship are not unconnected with the renewed ties between the two giants countries, although the two countries has established diplomatic tie long as in 1972, the last few decades has witnessed unprecedented renewed positive and mutually beneficial developments. It is of record that between 1999 and 2006 diplomatic visits at the highest level were recorded. Ogunkola et al (2008). Therefore, it is believed that with the continuous cooperation and further renewal, positive and more mutual benefits in the trade, engineering contract, and in FDI will be achieved.

2.1. Trade

Due to the favourable policies guiding the Nigerian market, a vast number of foreign investors have shown interest in investing in the Nigerian market. Bilateral relations with so many countries have taking place, and has also helped in boosting the economy of the country. Over the years the United States had remained the largest trade partner to Nigeria as well as in the crude oil sector, which accounts for about 40% of Nigeria's total export. However, countries like China, United Kingdom, Germany, and the Netherlands also have strong economic relation with Nigeria and recently, China have exceeded the value of the United States in terms of exportation into the country. Pamela (2016).

Nigeria's first official contact with the Peoples' Republic of China (PRC) was in the 1960, when China was invited to the country's independence celebrations which coincidentally happens also to be same date with that of China as October 1st. The delegation delivered congratulatory messages from Zhou Enlai and the Late vice Premier, Marshall Chen Yi. In their message, the Chinese leaders acclaimed the great victory won by the Nigerian people in their struggle against colonialism (Owoeye1986). However, many authors has referred to China as the modern day miracle, with Deng Xiaping's reform policies of the 70s and 80s, China's incessant economic growth and industrial modernization has brought her into greater contact with Africa (Utomi 2009:2). This is believed to have offered a partnership seen by Nigeria as an alternative to the long Western relationships, mainly from Europe, America and Canada. Although since the diplomatic relation between the two countries established in 1971, Nigeria benefits from the relations in the area of trade has always favored her counterpart China; China exporting more to Nigeria than Nigeria exporting to China thereby resulting in a huge trade imbalances in China's favor. For instance; China's total imports to Nigeria in 2005 were valued at US\$2.3 billion in contrast to Nigeria's export to China within that same year valued at US\$503.9 million with Nigeria export of mineral fuel accounting for about 90% of total exports (world Integrated Trade Solution Database, 2007), and from 2008 to 2017, china

total export to Nigeria valued at US\$10 billion, while Nigeria total export to china is valued at US\$1.3 billion (China statistic yearbook 2018).

Year	Nigeria's Export to China (million US\$)	China's Export to Nigeria (million US\$)	Total Trade (million US\$)	Trade Gap (million US\$)	Growth Rate of Total Trade (%)
2000	307.30	548.78	856.08	241.48	
2001	227.16	917.34	1144.5	690.18	33.69077656
2002	121.31	1047.15	1168.46	925.84	2.093490607
2003	71.66	1785.97	1857.63	1714.31	58.98105198
2004	463.22	1718.56	2181.78	1255.34	17.44965359
2005	526.88	2303.16	2830.04	1776.28	29.71243663
2006	277.75	2852.15	3129.9	2574.4	10.59560996
2007	537.08	3795.84	4332.92	3258.76	38.43637177
2008	508.38	6767.05	7275.43	6258.67	67.91055455
2009	895.76	5475.57	6371.33	4579.81	-12.42675691
2010	1071.62	6696.84	7768.46	5625.22	21.92838858
2011	1583.79	9204.08	10787.87	7620.29	38.86754904
2012	1273.92	9296.03	10569.95	8022.11	-2.020046589
2013	1546.60	12042.61	13589.21	10496.01	28.56456275
2014	2656.04	15393.42	18049.46	12737.38	32.82199627
2015	1240.70	13701.24	14941.94	12460.54	-17.21669236
2016	907.01	9715.33	10622.34	8808.32	-28.90923133
2017	1624.05	12153.16	13777.21	10529.11	29.70032968

Table 1: 2000 -2017 China-Nigeria Bilateral Trade

Source: China Statistic Yearbook 2018

Figure 1: China-Nigeria Bilateral Trade

Source: China Statistic Yearbook 2018

Import			Export		
Country	%of Total	GDP Rate	Country	% of Total	GDP Rate
China	16.0	6.90	India	16.8	5.7
Belgium	12.3	1.50	Spain	12.1	3.10
Netherlands	9.7	3.30	USA	10.2	2.2
USA	7.5	2.2	Netherlands	7.8	3.30
Italy	6.2	1.5	France	7.2	1.70

Table 2: Nigeria's Largest Import Partners & Nigeria's Largest Export

Source: National Bureau of Statistics, September, 2017

The table above shows unfavorable balance of trade against Nigeria in favor of China. In 1999, the trade transactions between the two countries shown a trade disparity of 29,219,066,770 where Nigeria only exported goods worth 10,671,356,489 to China and that same period, Nigeria imported goods from China worth 39,890,423,259. In 2008, the trade imbalance also shows 470,948,778,909 all in US dollars in favor of China. And after the period of ten years, in 2018 the trade gap amounts to US\$11550 Nigeria is only seen as finished products destination for China, she sees Nigeria as a good market for her goods.

2.2. Engineering Contract

China- Nigeria engineering contract cooperation can be traced back to the era of Nigeria military rule. In December 1995, the Nigerian Federal Ministry of Transport signed an agreement with the China Civil Engineering Construction Corporation for the rehabilitation of Nigeria's railway at a cost of US\$529 million, this contract included the supply of coaches, locomotives, wagons and guard vans, as well as restructuring of rail lines in the country. (Chibundu 2000:27) Dating from Nigeria inception into democracy, in 1999 and 2001, the then president of Nigeria, Olusegun Obasanjo visited China, and as a result, a number of trade, economic, technical, scientific, technological and investment protection agreements were signed by both countries (Abua, 2004). To consolidate existing bilateral relations between the two countries, the Chinese President Hu Jintao paid a two-day official visit to Nigeria on the 28th April 2006. President Jintao and his Nigerian host signed a Memorandum of Understanding (MOU) on petroleum cooperation (Udeala 2010:66). This deal provides for substantial Chinese investment and a platform for many Chinese companies to operate in the Nigerian oil industry. As part of the agreement, Nigeria granted China four drilling licenses in exchange for commitments to invest US\$4 billion in oil and infrastructural projects (Udeala, 2010:66). During President Umaru Yar'Adua's visit to China in February 2008, both countries agreed to pursue a strategic partnership in power and energy as well as in transport infrastructure (Adeniyi 2011:136). Many financial agreements were also concluded. These include US\$500 million concessionary loan for projects to be identified by Nigeria, construction of a hospital in Abuja, and a US\$4.2million for the construction of China-Nigeria Friendship Cultural Centre in Abuja (Okeke 2008:4). President

President Goodluck Jonathan during his tenure, has also maintained a strong relationship with China. Chinese companies have been awarded several contracts in the Nigeria as it regards to economic improvement. The Nigeria government has also invested over \$10 billion on the generation, transmission and distribution in the power sector, and over US\$2 billion has been invested in the rejuvenation of the rail system in Nigeria, all the mentioned contracts being handled by Chinese firms. (ThisDay, August 27, 2010). The construction of Papalanto power gas turbine plant in Ogun State was also awarded to a Chinese consortium SEPCO, while the rejuvenation of the rail systems was awarded to the China Civil Engineering Construction Company (CCECC) (Ogunkola 2008:126). More so, the relation between the two countries have continued to wax stronger within the years as significant increase has still been noticed in the recent decade, as the engineering contracts executed in Nigeria by the Chinese firms from 2000 to 2017 account to the sum of \$US 3.7 trillion, with concentration in the civil engineering field, and shows a tendency of improving the technological standard of Nigeria in that regard.

Year	China's Engineering Contract Inflow to Nigeria (million US\$)	Growth Rate of Engineering Contract (%)	Year	China's Engineering Contract Inflow To Nigeria (Million US\$)	Growth Rate of Engineering Contract (%)
2000	111.45		2010	2929.81	46.23312969
2001	55.04	-50.61462539	2011	3459.69	18.08581444
2002	144.16	161.9186047	2012	4994.81	44.37160555
2003	264.28	83.32408435	2013	4273.52	-14.44078954
2004	488.84	84.97048585	2014	4531.65	6.040219772
2005	774.35	58.40561329	2015	3481.42	-23.17544382
2006	1104.96	42.69516369	2016	2612.76	-24.95131297
2007	1387.76	25.59368665	2017	3103.83	18.79506729
2008	1613.53	16.26866317	2018	4050.00	30.48395047
2009	2003.52	24.16998754			

Table 3: China's Engineering Contract Inflow to Nigeria

Source: China Statistic Yearbook 2018

Figure 3: China's Engineering Contract Inflow to Nigeria

Source: China Statistic Yearbook 2018

2.3. Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) which is the net inflow of investment made to acquire a lasting management interest in a business enterprise operating in a country other than that of the investor country. Such investments which usually takes the form of either 'greenfield' investment – the acquisition and consolidation of an existing interest rather than new investment Moghalu (2013:167). Based on the information obtained from the Nigerian Investment Promotion Commission (NIPC) database, Chinese private FDI is composed of agro-allied industry, manufacturing and communications sectors. On the other hand, some are wholly foreign owned, either wholly by the Chinese, or in partnership with other foreign investors. From the record of the Promotion Council's document, (NIPC) there are 208 registered Chinese companies in Nigeria as of 2013 (Umejei, 2014:23). Some of the Chinese investments have also benefited from investment incentives in the country such as pioneer status and expatriate quotas have been granted to some of these companies. From the record of (Egbula and Zheng, 2011:12) the major Chinese companies in Nigeria are mostly state-owned enterprises. Some of these are Sinopec (oil and gas), CNPC (oil and gas), SEPCO (electricity power construction), CCECWC (construction and real estate), CSCEC (construction and real estate), CNOOC (offshore oil and gas), Sinoma (cement engineering construction), CGC (construction), Huawei (telecoms) and Zhong Xing Telecommunication (ZTE) (telecoms). In the Nigerian telecoms sector, ZTE and Huawei are the dominant companies, and also the mining sectors as most of the country's gold deposits are extracted by Chinese companies. The inflow of Chinese investment to Nigeria has as well recorded a huge success, and in no doubt contributed significantly to the economic growth of the country.

Furthermore, Nigeria, as an emerging African economy with over 200 million populations, is another major investment destination of China's overall FDI, second top destination after South Africa in Africa, between 2003 and 2009. Chinese total FDI in Nigeria was estimated to be \$1.03 billion, Egbula and Zheng (2011). To speak of the general trend of Chinese direct investment in Nigeria, it is showing significant increase annually. For instance, total Chinese FDI in the country showed a tenfold increase between 1999 and 2006, from \$0.55 million to \$5.5 million Salter (2009). Although, Chinese FDI in Nigeria showed such an upsurge, it was only 0.13% of the total inflow of FDI to the country in 2006. Thus, despite the fact that it is rapidly raising, Chinese FDI in Nigeria is very low when compared to those of the European and North American countries. Chinese investment in Nigeria cover several sectors as mentioned above, but largely concentrated in the areas of oil industry, construction and telecommunication. Egbula and Zheng (2011) observed the share of oil and gas sector was about 75% of the total Chinese FDI in 2005. Salter (2009). In addition to the oil sector, Nigeria is increasingly becoming one of China's most important telecommunication markets, and shows an increasing potential.

Year	China's FDI Inflow to Nigeria (million US\$)	Nigeria's FDI to China (Million US\$)	FDI Gap	Growth Rate Of China's FDI Inflow to Nigeria
2003	24.40	20.83	3.57	
2004	45.22	15.83	29.39	85.32786885
2005	53.30	8.56	44.74	17.86819991
2006	67.79	20.00	47.79	27.18574109
2007	390.35	12.11	378.24	475.8223927
2008	162.56	55.04	107.52	-58.35532215
2009	171.86	0.33	171.53	5.720964567
2010	184.99	5.00	179.99	7.639939486
2011	197.42	19.99	177.43	6.719282123
2012	333.05	12.53	320.52	68.70124607
2013	209.13	14.88	194.25	-37.20762648
2014	199.77	30.08	169.69	-4.475684981
2015	50.58	3.00	47.58	-74.68088302
2016	108.50	0.87	107.63	114.5116647
2017	137.95	6.25	131.7	27.14285714

Table 4: China's FDI inflow to Nigeria and Nigeria's FDI inflow to China

Source: China statistic yearbook 2018

Figure 4: China's FDI inflow to Nigeria and Nigeria's FDI inflow to China

Source: China Statistic Yearbook 2018

2.3.1. Selected Agreement between China and Nigeria

Dating from the diplomatic tie established by China and Nigeria in 1972, Recent developments in the China-Nigeria economic relationship has been noticed, significant in the series of agreements signed by the two giants over the last few decades, and has also witnessed positive and mutually beneficial developments.

Agreement	Period
Agreement on Trade, Investment promotion and Protection	2001
Agreement for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Tax on Income	2002
Agreement on Tourism Co-operation	2002
Agreement on Co-operation on strengthening management of Narcotic Drugs, Psychotropic Substance and Diversion of Precursor Chemical.	2002
Agreement on Consular Affairs	2002
Agreement of South-South Co-operation among China, Nigeria and FAO	2003
Strategic Partnership Agreement	2005
Memorandum of understanding on Strategic Partnership	2006
Economic Cooperation Agreement between Nigeria and Xinguang International Group of China	2006
Agreement against fake products exported to Nigeria from China	2009
Memorandum of understanding on promotion between Ogun State of Nigeria and Zhejiang Province of China	2009

Table 6: Selected Agreement between China and Nigeria

Source: Adopted from Ogunkola, E.O., et. al2008

2.3.2. National and Regional Distribution of China's FDI in Nigeria

Chinese FDI in Nigeria is wildly spread and situated in the major and strategic cities and regions of the country, making it possible for their smooth running and effective turn-over, also with branch offices in the less commercial part, as they specialize and handle most of the important contracts in the country in different sectors respectively.

Companies	Sector	Area of Investment
SINOPEC	Oil and Gas	Block of 64, 6629 and operating right to block 2 Nigeria- Sao Tome Joint Development Zone.
CNPC	Oil and Gas	Licenses for OPL 471,721,732,298.
SEPCO	Electric and Power construction	Papalanto power plant
CCECC	Construction	Construction of Games Village Lekki Free Trade zone etc.
CSCEC	Construction and Real Estate	Refinery
CNOON	Offshore oil and gas	45% interest in Offshore exploitation license OML 130.
Huawei	Telecom	Network and phones
ZTE	Telecom	CDMA, phones

Table 5: Selected Chinese Companies in Nigeria

Source: Nigeria Investment Promotion Commission 2018

3. Problems of China - Nigeria Cooperation

Though number of benefits has acquired from the economic relation of the both countries that spines from transfer of technology, transfer of knowledge and skills, promotion of competition and innovation, enhancement of employment opportunities, enhanced output, as well as export and revenue performance has been undoubtedly recorded. Nevertheless, all these must be weighed against their costs, such as volatile flows of investment and related payments deleterious for balance of payments, transfer of pollutant deleterious to human and related activities and technologies, excessive influence on economic affairs with possible negative effects on industrial development and national security.

From the aspect of trade, the imbalance in the import and export data between the two countries is argued to be due to the lack of adequate infrastructural facility in Nigeria at the present, leading to minimal manufacturing of modern products that meet the present needs of humans in this 21st century, when compared to its Chinese counterpart that is relatively advanced in terms of modern technology. This phenomenon can be attributed to the low educational standard of the country, resulting in the inability to meet up with the global standard and trend.

One of the major challenges in the engineering sector of the Nigerian economy, leading to the one sided flow as can be observed in table 3 and figure 3 above, is the relatively poor state of technological advancement at the present, especially in the areas of power, rail way network, high way, communication and civil works. In Nigeria, nearly all the big infrastructural related projects are been awarded and carried out by foreign multinational giant companies such as Julius Berger, which and if urgent steps are not taken to address the situation, it may get worse than its present situation, and

until Nigeria rises up to these challenges, foreign investment inflow and outflow paradigm will continue to show a declining model in the favour of China.

4. Conclusion and Suggested Countermeasures

The trade cooperation between Nigeria and China has from inception followed a classical pattern of trade disequilibrium as can be seen in the data above, see table 1. The structure of trade between them reflects the difference in the level of development of the two countries as well as high degree of complementarities that exist between their economies while Nigeria's exports to China consist mainly of primary commodities, with its imports from China mainly comprising of industrial goods. Within this commodity groups, there have been some important changes in the structure of trade over the years, thus, analysis from the trade data reveals that despite the increase in trade volume between the two countries, the bilateral trade relations have been in significant favor of China.

It is of great concern and importance that the imbalance in trade relations be addressed to ensure that the relations lead to mutual beneficial outcomes for both nations. Although import export trade remains the most important element in Nigeria's trade relations with China, it has not been complemented significantly by the flow of investment and aid between the two countries. The consequence of intensive asymmetric bilateral interaction to the achievement of Nigeria's broader national goal should be given serious consideration by the Nigerian policy makers and the general public, if not, the relationship could be jeopardized as a result of the one-sided outcome, which might have serious negative effect on the Nigeria side. Also the intensification of dependent relationship can provide an enormous advantage to China in continuation of its economic and industrial expansion.

However, despite this trade imbalance and other challenges, the bilateral relationship should be symbiotic and mutually beneficial to both countries. Therefore, it must be emphasized that Nigeria's bilateral policy towards China has undergone series of shifts of emphasis and reappraisal of priorities. Nigeria-China relations should however, go beyond rhetoric for the possibilities and potentials of a bilateral cooperation between the two countries have not been fully exploited. Nigeria and Africa in general should move beyond the bounds of marginalization.

The following recommendations are believed to helps the countries to rise above the various challenges especially the trade imbalance that has burdened on the Nigeria side. It is important to note that the following recommendations were made base on an objective research methodology and mindset.

- An effective approach to address the trade imbalance is to evolve a cooperative mechanism that would enable Nigeria increase its export of manufactured goods to China and import from China. In addition, Chinese companies in Nigeria should diversify their economic activities. Rather than restricting themselves to merely importing finished goods from China for sale in Nigeria, they should invest in the manufacturing sectors of the economy and thereby gain from the export of such Nigerian- made goods will not enhance the economy of the country, but also put the country on the map of world merchant producing countries.
- It is true that Nigeria has created an enabling environment for investors, but beyond this, Nigeria government should pay more attention into the development of technological sector, that will eventually leads to industrialization and more investments.
- Also Nigeria which is at the receiving side of the bilateral cooperation at the present must deal with the issue of corruption in her country; make sure the society is free or near free of that development eating element, for corruption is like menace that impedes political and economic growth of a country.
- The paper therefore suggest that Nigeria should learn from china in their early modernization strategy of learning from the outside world, which is mostly in the aspect of science and technology, in order to improve the infrastructural capacity of the country, so as to meet up with in the global market and economic competitiveness.
- This article also suggest that a complete tariff removal or a significant reduction in non tariff products could lift economic growth and raise the volume of exports and imports between the countries, while significantly improving the terms of trade balance between them. As local and small scale producers will be able to export their products easily, consequently encouraging more entrepreneurs to go into the general market.

Finally, achieving higher growth and a trade development impact under the cooperation platform, will depend on the commitment and steps taken by the two countries to eliminate tariff barriers as earlier mentioned, speed up the development and modernization of infrastructure, especially trade-enabling and manufacturing oriented infrastructures, raise the level of resources allocated to the financing and effective management of the bi-directional economic cooperation. The Chinese and Nigerian government should also assure product quality, training of local staff in respective sectors, respect for local culture, and infrastructure improvement.

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