Article

Trading Away Development? A Critical Interrogation of Nigeria-China Trade Relations (2015–2024)

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Uzodinma Chukwuemeka OKAFOR
Department of Political Science,
Nnamdi Azikiwe University Awka, Nigeria

Chinemelum Chinelo IBENEGBU
Department of Political Science,
Nnamdi Azikiwe University, Awka, Nigeria

Abstract

This study critically examines Nigeria–China trade relations and their developmental implications between 2015 and 2024. Persistent concerns over Nigeria's widening trade deficit, reliance on crude oil and primary commodities, and the growing dominance of Chinese manufactured imports frame the analysis. Grounded in dependency theory, which explains unequal economic interactions between core and peripheral states, the study adopts an ex post facto design and qualitative documentary analysis of official trade statistics, international datasets, and peer-reviewed literature to evaluate the structure and evolution of bilateral trade flows. Findings reveal that although trade expanded significantly, its composition remained asymmetrical: Nigeria's exports were dominated by crude petroleum, liquefied natural gas, and raw materials, while imports from China consisted largely of machinery, electronics, textiles, and other manufactured goods. This pattern sustained a persistent imbalance, constrained opportunities for value addition, and reinforced structural challenges of technological dependence, industrial vulnerability, and limited integration into global value chains. The analysis suggests that trade composition, rather than volume, is central to understanding developmental consequences. The study concludes that while Nigeria benefits from market access and affordable goods, the dominant trade pattern reflected dependency dynamics that did not support long-term industrial transformation.

Keywords: Nigeria–China relations, Trade imbalance, Industrial development, Dependency theory, Nigeria's development

Corresponding Author:
Chinemelum Chinelo IBENEGBU. Department of Political Science, Nnamdi Azikiwe University Awka, Nigeria.
Email: chineibe98@gmail.com

Introduction

Nigeria's commercial engagement with China has expanded rapidly over the last decade, making China Nigeria's largest source of imports and one of its most significant global trading partners (NBS, 2024; OEC, 2024). Between 2015 and 2024, official trade reports consistently show that China dominated Nigeria's import structure, supplying machinery, electronics, textiles, transport equipment, and industrial components that increasingly constitute a central part of Nigeria's productive and consumption systems (NBS, 2024). Data from the National Bureau of Statistics confirm that China repeatedly ranked as Nigeria's top import origin throughout this period, while product-level profiles from international trade databases indicate that Nigeria's exports to China remained heavily concentrated in crude oil, liquefied natural gas, and a limited range of raw materials (WITS/UNCTAD, 2023; OEC, 2024). This structure, manufactured goods flowing from China and primary commodities flowing from Nigeria, has therefore become a defining feature of their bilateral trade relations.

The period under review also coincided with major economic transitions within Nigeria, including foreign exchange pressures, currency adjustments, macroeconomic instability, and renewed attempts to revive local industries (IMF, 2024). As the Nigerian economy sought to navigate rising import bills and intensified efforts to diversify away from oil dependence, the composition of its trade with China gained increasing policy relevance (NBS, 2024). While the growth of Chinese manufactured imports expanded product availability and provided essential industrial inputs, it also generated concerns regarding Nigeria's long-term productive capacity (Tekedia, 2025). The widening gap between what Nigeria imports and what it exports, particularly in its trade with China, has drawn attention to potential implications for industrial sustainability, technology acquisition, and broader development outcomes (WITS/UNCTAD, 2023).

The emerging tension between the scale of Nigeria–China trade and the development challenges associated with it prompted the need for this study. Despite rising trade volumes, Nigeria continues to experience slow export diversification, weak industrial performance, and concerns about structural dependence on foreign manufactured imports (intelpoint, 2025). Policymakers, industry actors, and scholars increasingly question whether the current pattern of trade adequately supports Nigeria's long-term development goals. The persistent commodity-heavy export basket and technologically sophisticated import basket suggest a structural pattern that warrants closer examination, especially with respect to competitiveness, value addition, and economic resilience (OEC, 2024).

Although Nigeria and China have recorded substantial increases in bilateral trade over the past decade, the structure of this trade remains sharply asymmetrical. Nigeria sources a wide range of high-value manufactured goods from China but exports predominantly low-value primary commodities (NBS, 2024). While such patterns are not unique to Nigeria, their persistence raises important questions about Nigeria's prospects for industrialization and its ability to accumulate technological capabilities (WITS/UNCTAD, 2023). The concern is not simply that Nigeria trades extensively with China; rather, it is that the composition and direction of this trade may be limiting Nigeria's potential to strengthen domestic production, diversify exports, and stabilize its external balances. Yet, many existing discussions examine Nigeria–China relations in broad terms, combining trade with loans, foreign investment, and

diplomatic engagements, making it difficult to isolate the developmental implications of trade relations alone.

Against this background, this study focuses exclusively on Nigeria–China trade relations between 2015 and 2024, examining how the scale, structure, and composition of trade flows relate to Nigeria's development trajectory. The study adopts an ex post facto research design, which is appropriate because it relies on already existing data and examines historical trade patterns without manipulating any variables. It draws on official statistical sources such as the National Bureau of Statistics, the World Trade Organization, the Observatory of Economic Complexity, and UNCTAD (NBS, 2024; WTO, 2024; OEC, 2024; UNCTADstat, 2024), complemented by relevant peer-reviewed literature, to identify observable trends and interpret them analytically. Anchored in Dependency Theory, the study does not assume outcomes in advance but seeks to understand whether the pattern of exchange, China dominating manufactured exports and Nigeria supplying primary commodities, exhibits features associated with structural vulnerability or potential pathways for productive transformation (Atsiya & Tenuche, 2019; Odeh, 2014). By isolating trade from other dimensions of bilateral engagement, the study aims to provide a clearer understanding of how Nigeria's position within this trade structure may influence industrial capacity, technological learning, and long-term competitiveness.

The purpose of the study is therefore to provide a focused, evidence-based assessment of Nigeria–China trade relations during the 2015–2024 period, with a view to identifying the implications of current trade patterns for Nigeria's development and informing strategic policy interventions that could support a more balanced and development-enhancing trade relationship.

Review of Related Literature

Conceptual Review

The conceptual review clarifies the key terms and ideas that shape the analysis of Nigeria–China trade relations. Defining these concepts provides a clear analytical foundation for examining the structure, direction, and developmental implications of bilateral trade, particularly given the complex interactions between an industrialized economy and a commodity-dependent one.

1. Trade Relations

Trade relations refer to the structured exchange of goods and services between two countries, including the volume, direction, and composition of imports and exports. Krugman, Obstfeld, and Melitz (2018) describe trade relations as the framework through which countries integrate into global markets, specialize in different sectors, and interact economically. This concept also embodies the power relations, competitiveness, and institutional arrangements governing international exchange.

In the Nigeria–China context, trade relations involve the export of crude oil, gas, and raw materials from Nigeria, and the import of manufactured goods, machinery, electronics, and industrial inputs from China. Understanding this concept helps explain how the structure of bilateral trade can influence economic development outcomes.

2. Trade Imbalance

A trade imbalance occurs when a country's imports significantly exceed its exports or vice versa. Salvatore (2013) notes that persistent trade deficits can create macroeconomic vulnerabilities by increasing foreign exchange pressures, widening external debt exposure, and weakening domestic industries that cannot compete with imported goods. Trade imbalance is especially problematic for developing economies whose exports are low-value commodities, while imports consist of higher-value manufactured products.

This concept is central to Nigeria's trade with China because Nigeria consistently records a large deficit in bilateral trade, reflecting deeper structural challenges, including weak manufacturing capacity, dependence on imported technology, and limited export diversification.

3. Industrial Development

Industrial development refers to the transformation of an economy from reliance on primary production to more advanced manufacturing and value-added activities. According to Todaro and Smith (2015), industrial development enhances productivity, stimulates technological innovation, expands employment, and drives structural transformation essential for long-term development. In the context of Nigeria–China trade relations, industrial development captures Nigeria's ability (or inability) to build competitive domestic industries capable of processing raw materials, producing manufactured goods, and reducing dependence on imported industrial products. It also includes the capacity for technological upgrading, innovation, and integration into global value chains.

4. Dependency

Dependency refers to a structural condition where the economic growth and development of a peripheral country are shaped and constrained by its relationship with a more dominant core economy. Dos Santos (1970) defines dependency as a situation in which the economy of one nation is conditioned by the development of another, leading to asymmetrical power relations and limited economic autonomy.

Frank (1967) further argues that dependency manifests through structural reliance on external actors for manufactured goods, technology, capital, and industrial machinery. This pattern inhibits domestic innovation, entrenches underdevelopment, and perpetuates vulnerability to external shocks.

In Nigeria's trade engagement with China, dependency is reflected in Nigeria's reliance on China for manufactured goods, technology-intensive products, machinery, and industrial inputs, making the domestic economy sensitive to fluctuations in external supply chains, exchange rates, and global market conditions.

5. Unequal Exchange

Unequal exchange refers to an international trading system in which peripheral countries export low-value primary commodities while importing high-value manufactured goods from core countries. Amin (1976) explains that unequal exchange results in a systematic transfer of economic surplus from

the periphery to the core, reinforcing global inequalities and limiting opportunities for structural transformation.

This concept is directly relevant to Nigeria's trade with China, where Nigeria exports crude oil, raw materials, and agricultural products but imports technologically advanced and value-added products such as machinery, electronics, vehicles, and processed industrial goods. The unequal value composition of trade prevents Nigeria from capturing substantial economic value, constraining industrial development and long-term competitiveness.

Literature Review

The literature on Nigeria–China trade relations consistently identify a structural imbalance that shapes the developmental trajectory of Nigeria's economy. Scholars and institutions alike converge on the view that this imbalance is not merely quantitative but systemic, reflecting deeper dependency dynamics. Odeh (2014) situates Nigeria's reliance on raw material exports within a historical continuum of commodity dependence, while UNCTAD (2024) frames it as part of a broader global trade structure in which peripheral economies remain locked into unequal exchange. This historical framing is reinforced by contemporary data from the Observatory of Economic Complexity (OEC, 2024), which shows Nigeria's exports to China dominated by petroleum gas and crude oil ($3.27 billion), while imports from China reached $16.6 billion, primarily in manufactured goods such as electronics, telephones, and machinery. The juxtaposition of historical analysis and current trade statistics underscores the persistence of asymmetry and highlights how Nigeria's trade structure reproduces long-standing dependency patterns.

A central theme in the literature is the displacement of domestic industries by Chinese imports. Chimezie (2020) documents the "market flooding" effect of inexpensive Chinese textiles and electronics, which undermines local production capacity. This argument is substantiated by NBS (2024) data showing Nigeria imported ₦14.15 trillion worth of goods from China in 2024, more than double the previous year, making China Nigeria's top import partner. The composition of these imports, ranging from photovoltaic cells and electric motors to fabrics and communication devices, illustrates how Chinese goods penetrate both consumer markets and industrial supply chains. Synthesizing these perspectives reveals a causal mechanism: the influx of cheap imports erodes Nigeria's industrial base, reduces competitiveness, and entrenches dependency. Rather than treating imports as neutral trade flows, the literature collectively demonstrates their transformative impact on Nigeria's industrial landscape.

The existing literature further highlights technological dependency. Atsiya and Tenuche (2019) argue that Nigeria's reliance on Chinese machinery and intermediate inputs embeds a structural form of technological dependence, inhibiting innovation and domestic learning. This claim resonates with dependency theory, as articulated by Odeh (2014), which frames unequal exchange as a systemic transfer of value from peripheral economies to core industrial powers. Empirical evidence from WITS/UNCTAD (2023) reinforces this theoretical lens, showing that Nigeria's manufactured exports remain negligible, while imports in technologically advanced sectors continue to rise. Intelpoint (2025) adds quantitative weight, noting that since 2017, over 85% of Nigeria's manufactured goods trade has consisted of imports, with exports falling below 15% and reaching only 6.7% in 2025. Synthesizing these arguments reveals

consensus: Nigeria's trade imbalance is not only economic but epistemic, constraining its capacity to generate indigenous technological knowledge and reinforcing systemic dependency.

The literature also highlights the persistence and systemic nature of Nigeria's trade imbalance. NBS (2024) reports that in 2024, Nigeria's exports to China rose modestly to ₦2.99 trillion, while imports reached ₦14.15 trillion, representing over 82% of total bilateral trade. WTO (2024) and WITS/UNCTAD (2023) confirm that Nigeria's export basket remains 91% mineral fuels, while manufactured exports are negligible, less than 1% of total exports. Synthesizing these institutional assessments with scholarly critiques demonstrates that Nigeria's inability to diversify its exports is not incidental but structural, reflecting entrenched patterns of dependency that limit developmental benefits from trade. The literature therefore converges on the conclusion that Nigeria's trade imbalance with China is sustained and systemic, reinforcing industrial weakness and dependency.

Recent contributions extend this analysis by situating Nigeria–China trade within broader debates on development partnerships. Ugochukwu (2025) finds that Nigeria's imports consistently exceed exports, resulting in China "gaining more than Nigeria in the long run" and entrenching dependency in sectors linked to oil and manufactured goods. John Oti, Ayang, & Bako (2025) acknowledge China's role in infrastructure expansion but caution that the persistent trade deficit and technological asymmetry limit Nigeria's long-term developmental gains. Tekedia (2025) corroborates this concern, noting that even as bilateral trade surpassed $20 billion, the structure remained dominated by Chinese manufactured exports and Nigerian raw material exports. Synthesizing these perspectives reveals a nuanced debate: while some scholars recognize short-term benefits in affordability and infrastructure, the consensus remains that long-term developmental outcomes are constrained by structural imbalance and dependency.

The implications of this trade structure for Nigeria's industrialization and long-term development are a recurring theme. Chimezie (2020) identifies the "market flooding" effect of Chinese imports as a direct cause of factory closures and value chain erosion, while empirical data from OEC (2024) shows China's top exports to Nigeria included textiles ($523 million), telephones ($102 million), and machinery and synthetic fabrics ($131 million). These figures illustrate the dominance of Chinese producers in industries where Nigerian firms historically operated but have since declined. Synthesizing these findings reveals a paradox: while Chinese imports meet domestic demand affordably, they simultaneously undermine Nigeria's capacity to build competitive industries, thereby constraining industrialization and structural transformation.

Ultimately, institutional and academic literature converge on the conclusion that Nigeria's trade relations with China reinforce dependency dynamics. The concentration of imports in manufactured and technologically advanced sectors gives China a dominant position in Nigeria's productive structure, while Nigeria's limited export diversification restricts its developmental benefits from trade (UNCTAD, 2024; WITS/UNCTAD, 2023). The persistent negative trade balance, the technological superiority of Chinese firms, and Nigeria's difficulty in penetrating value-added export markets all reflect what dependency theorists describe as "unequal exchange" (Odeh, 2014). Synthesizing across these sources, the literature portrays Nigeria–China trade relations as characterized by high import dependence, limited export diversification, structural trade deficits, and industrial vulnerability. The evidence establishes a clear consensus that while bilateral trade has expanded in scale, the structure of Nigeria–China trade

continues to constrain Nigeria's capacity for industrial development, technological advancement, and long-term structural transformation. This synthesis provides the empirical foundation for analyzing Nigeria's position in the bilateral trade relationship and assessing the developmental implications of current trade patterns.

Empirical Review

Empirical studies on Nigeria–China trade relations provide extensive evidence of a structurally imbalanced trading pattern that persisted throughout 2015–2024. Official statistics consistently place China as Nigeria's largest source of imports, supplying a broad array of manufactured goods ranging from machinery to telecommunications equipment (NBS, 2024). According to data cited by the National Bureau of Statistics (NBS) for 2024, Nigeria imported ₦14.15 trillion worth of goods from China, more than doubling the value recorded in 2023 (₦6.6 trillion), representing a 114.3% increase in a single year (Tunji, 2025). In contrast, Nigeria's exports to China rose to ₦2.99 trillion, leaving China responsible for over 82% of total bilateral trade in 2024 (NBS, 2024). This overwhelming import dominance forms the empirical backdrop for understanding the trade imbalance between both countries.

Complementing these national statistics, international databases corroborate the magnitude and structure of the imbalance. The Observatory of Economic Complexity (OEC, 2024) reported that in 2024, Nigeria exported $3.27 billion worth of goods to China, dominated by petroleum gas ($1.56 billion) and crude petroleum, while importing $16.6 billion in goods, mainly synthetic filament yarn woven fabrics, telephones, machinery, and electrical equipment (OEC, 2024). This reflects a classical commodity-for-manufactures exchange, with China occupying the industrial export position and Nigeria supplying raw materials. The OEC also highlights China's significantly higher economic complexity score relative to Nigeria, underscoring the technological and productive gap between the two economies during the period under review.

Further empirical evidence of Nigeria's structural dependence on manufactured imports comes from sector-specific trade indicators. Intelpoint (2025), using NBS data, shows that since 2017, Nigeria's manufactured goods trade has been over 85% import dependent, and by the first half of 2025, manufactured imports accounted for 93.3% of total trade in manufactured products. This pattern demonstrates a chronic inability of Nigeria's industrial sector to compete with China's large-scale, low-cost production systems. Over the years, Nigeria's manufactured exports have rarely exceeded 10–15% of manufactured goods trade, revealing limited progress in industrial diversification (intelpoint, 2025).

Empirical studies also highlight the persistence of a negative trade balance. The NBS Q4 2023 trade report revealed that total imports rose by 163% year-on-year, contributing to a merchandise trade deficit for Nigeria (NBS, 2024). While these figures reflect overall trade, bilateral NBS-linked reporting for 2024 confirms that imports from China outpaced exports by more than fourfold, with China shipping high-value industrial goods into Nigeria and receiving low-value commodities in return (Tunji, 2025). These findings mirror the OEC percentages, where Nigeria consistently ranks China among its highest-value import partners but not among its top export destinations (OEC, 2024).

Academic empirical studies reinforce these numerical trends. Ugochukwu (2025) found that Nigeria–China trade relations between 2015 and 2022 were marked by persistent imbalance, with China benefiting

more significantly from the trading pattern due to its dominance in manufacturing and Nigeria's limited export diversification. Similarly, the empirical study by John-Oti, Ayang, and Bako (2025) reinforces this pattern by showing that Nigeria's imports from China are overwhelmingly dominated by manufactured products such as electrical machinery, telecommunications equipment, and various textile categories. Their findings indicate that while these manufactured imports continue to expand in volume, Nigeria's exports to China remain concentrated in crude petroleum, solid minerals, and other minimally processed raw materials. This persistent commodity-manufacture divide, documented through their analysis of trade flows and product classifications, provides empirical confirmation of the structural imbalance in Nigeria–China trade relations. By demonstrating how limited Nigeria's presence is in higher value-added segments, the study highlights the constraints this pattern poses for industrial upgrading, competitiveness, and Nigeria's broader efforts to move into more technologically intensive export categories.

Econometric and mixed-methods studies provide additional empirical grounding on the dynamics of Nigeria–China trade. Research published in the African Journal of Business and Economic Development by Adonike, Uzonwanne, and Mbah (2022) employed long-run ARDL models alongside UNCTAD trade data to demonstrate that key import categories from China, such as electric-power machinery, telecommunications equipment, iron and steel, and various textile fabrics, exert statistically significant effects on Nigeria's GDP predominantly through import-led channels, rather than through export-driven mechanisms. Their findings show that despite the scale of Nigeria's commodity exports, dominated by petroleum and solid minerals, these exports do not generate sufficient value to meaningfully offset the rising import bill (Adonike et al., 2022). The study highlights a trade structure characterized by weak domestic value addition and limited forward linkages, underscoring how Nigeria's export profile fails to support the kind of productivity gains or industrial deepening that typically accompany diversified, value-added trade patterns.

Beyond academic literature, policy-based reports provide macroeconomic interpretations consistent with the empirical record. The International Monetary Fund (IMF, 2024), in its periodic Article IV consultations, identified Nigeria's external-sector vulnerabilities as closely linked to high import dependence, FX pressures, and limited non-oil exports; a pattern that aligns with Nigeria's import profile from China, especially in manufacturing and capital-goods sectors. Meanwhile, trade summaries from UNCTAD/WITS show that in 2023–2024, over 90% of Nigeria's merchandise exports comprised mineral fuels, with negligible manufactured exports, confirming the limited diversification required to balance trade with an advanced manufacturing economy such as China (WITS/UNCTAD, 2023; UNCTAD, 2024).

Finally, empirical trade intelligence highlights the year-to-year dynamics of bilateral trade. Tekedia (2025) reported Chinese ambassadorial statements placing bilateral trade above $20 billion, with China emphasizing Nigeria's strategic importance while acknowledging trade imbalances and signaling potential for future cooperation. These reports mirror the NBS and OEC data, reinforcing the portrayal of an expanding but structurally uneven trade relationship across the entire study period (Tekedia, 2025).

Collectively, empirical evidence from national statistics, international trade databases, econometric research, and scholarly studies consistently shows that between 2015 and 2024, Nigeria–China trade

relations were characterized by high import dependence, commodity-heavy exports, persistent trade deficits, and limited industrial upgrading on the Nigerian side. These findings establish a robust factual foundation for analyzing the implications of the bilateral trade structure for Nigeria's development trajectory.

Theoretical Framework

This study was anchored in dependency theory, which provided the central lens for analyzing Nigeria–China trade relations. Dependency theory explains how global economic structures create asymmetrical relationships between core and peripheral states, with the development of the periphery conditioned by its reliance on the core (Dos Santos, 1970; Frank, 1967). In this framework, peripheral economies such as Nigeria depend on core economies for manufactured goods, technology, and industrial inputs, while supplying raw commodities in return. This dynamic constrains domestic innovation, limits industrial upgrading, and perpetuates vulnerability to external shocks.

The concept of unequal exchange (Amin, 1976) further clarifies this dependency dynamic. It highlights how peripheral countries export low-value commodities while importing high-value manufactured goods, resulting in a systematic transfer of economic surplus from the periphery to the core. In Nigeria's case, the reliance on crude oil and liquefied natural gas exports, alongside dependence on Chinese manufactured imports, reflects the classical features of dependency: commodity dependence, technological reliance, and industrial displacement.

Situating Nigeria–China trade relations within dependency theory, this study established a clear analytical foundation. The theory not only interpreted the observed trade imbalance but also linked directly to the study's objectives: assessing how Nigeria's trade structure with China reinforces dependency dynamics, constrains industrial development, and limits long-term structural transformation. This ensures that the findings are not merely descriptive of trade flows but are interpreted through a theoretical lens that highlights their systemic developmental implications.

Methodology

This study adopts an ex post facto research design, which is appropriate for examining trade relations and developmental outcomes based on past events without manipulating variables. The choice of this design is justified by the nature of the research questions, which focus on historical and structural patterns in Nigeria–China trade rather than experimental interventions. By relying on existing records and documented evidence, the study was able to capture long-term dynamics and systemic imbalances in trade relations.

The analysis employed qualitative documentary methods, synthesizing secondary data from multiple authoritative sources. These include academic literature, government reports, and publications from international institutions such as UNCTAD, WTO, and the World Bank. In addition, trade databases and statistical bulletins from the National Bureau of Statistics (NBS) provided empirical grounding for the analysis. The use of diverse sources ensured triangulation, enhancing the reliability of findings by cross-checking data across independent institutions and scholarly perspectives.

The data corpus reviewed covers Nigeria's export composition, China–Nigeria trade volumes, import structures, and documented economic impacts. Selection of these data points was guided by their relevance to the study's central themes: trade imbalance, industrial implications, and developmental outcomes. For instance, export composition data highlight Nigeria's reliance on raw commodities, while import structure data reveal the dominance of Chinese manufactured goods. Together, these datasets provided a comprehensive picture of bilateral trade relations.

To analyze the data, the study applied thematic content analysis, categorizing information into three major themes: (1) trade imbalance, (2) industrial implications, and (3) developmental outcomes. This approach allowed for systematic identification of recurring patterns and causal linkages across sources. Within each theme, the study compared perspectives from scholars and institutions, highlighting points of convergence and divergence. For example, while institutional data emphasize quantitative trade deficits, academic literature often situates these imbalances within dependency theory frameworks. Synthesizing these perspectives strengthened the analytical depth of the study.

Complementing thematic analysis, descriptive interpretation of trade indicators was employed to contextualize qualitative findings. Indicators such as trade volumes, import–export ratios, and sectoral composition were interpreted in relation to Nigeria's industrial capacity and developmental trajectory. This dual approach of combining thematic synthesis with descriptive interpretation, ensures that the analysis is both empirically grounded and theoretically informed.

Data Presentation and Analysis

This analysis evaluates Nigeria–China trade relations (2015–2024) explicitly through the lens of Dependency Theory, focusing on whether the observed composition and balance of trade are consistent with unequal exchange between a core, industrialized economy and a peripheral, commodity-exporting partner. The central empirical pattern is clear and sustained across independent datasets: Nigeria's exports to China are concentrated in primary commodities, while its imports from China consist predominantly of manufactured goods and technology-intensive products. In 2024, for example, the Observatory of Economic Complexity (OEC, 2024) reports Nigerian exports to China of about $3.27 billion, led by petroleum gas and crude petroleum, whereas China's exports to Nigeria totaled about $16.6 billion, concentrated in synthetic fabrics, telephones, and machinery/electricals. This product mix exemplifies the core–periphery structure emphasized by dependency scholars, where value is systematically transferred from the periphery to the core.

Nigeria's import structure reinforces this asymmetry. Officially reported figures (Tunji, 2025; NBS, 2024) show that in 2024 Nigeria imported ₦14.15 trillion of goods from China (up 114.3% from 2023's ₦6.6 trillion), while exports to China were ₦2.99 trillion; thus, imports accounted for over 82% of total bilateral trade that year. The same report lists top import categories such as photovoltaic cells, engines/electric motors, telecom equipment, and vehicle components — items that embed substantial technological content. By contrast, Nigeria's export basket to China remains narrow, including sesame, cathodes/sections, aluminium alloys, and tin ores, i.e., raw or minimally processed outputs. This imbalance, in both value and technological sophistication, is not episodic: it mirrors the long-run picture captured in OEC partner product profiles and WTO/WITS country statistics (WITS/UNCTAD, 2023). In

dependency terms, this reflects unequal exchange, where Nigeria supplies low-value commodities while China captures surplus through high-value manufactured exports.

Source: KPMG, 2023

The figure illustrates the persistent and widening gap between imports from China and Nigeria's exports to China over the 2019–2023 H1 period. Imports consistently account for a significantly larger share of total bilateral trade, while exports remain below 5%. This visual trend mirrors the empirical data presented in the preceding paragraphs, reinforcing the structural trade imbalance. It also highlights the continuity of this pattern leading into 2024, where Nigeria's imports reached ₦14.15 trillion compared to ₦2.99 trillion in exports. The graph therefore provides a visual confirmation of the persistent asymmetry that underpins the dependency-consistent trade structure.

The sustained divergence between import and export shares shown in the chart also supports the argument that Nigeria's trade imbalance is not an isolated or recent episode but a multi-year trend. By depicting how the gap narrowed only slightly before widening again, the figure demonstrates that the deficit is structurally embedded rather than cyclical. This strengthens the analytical claim that Nigeria's position in the bilateral trade relationship is shaped by long-term structural forces that perpetuate dependency dynamics, consistent with Frank's (1967) view of entrenched peripheral reliance.

One mechanism through which this pattern affects Nigeria's development is import competition in manufacturing. Large-scale, price-competitive Chinese manufactures reduce domestic firms' market share, compress margins, and limit reinvestment. Empirically, intelpoint (2025) (using NBS data) shows that since 2017 more than 85% of Nigeria's manufactured goods trade has consisted of imports; by H1 2025 it reached 93.3%, indicating the depth of import dependence on finished and semi-processed goods. This aligns with OEC's product breakdown for 2024, where China's exports to Nigeria are dominated by textiles, electronics, and machinery, precisely the categories that crowd out local producers with scale and cost advantages. Dependency theorists describe this as industrial displacement, where peripheral industries collapse under the weight of core economies' competitive advantage, leaving the periphery locked into commodity dependence.

A second mechanism is technological dependence. The bilateral flow of goods reveals that Nigeria imports not only consumer items but also the capital goods and intermediate inputs that underpin production (e.g., machinery, electrical equipment, specialized fabrics). In the short term these imports sustain output and consumption; over time, however, they may lock in reliance on external technology if domestic learning, standards, and R&D linkages remain weak. Cross checks from UNCTAD/WITS (2023) underscore that Nigeria's export structure is overwhelmingly fuel-heavy (around 91% of total merchandise exports in 2023), while manufactured exports are negligible. This composition limits the feedback loops, supplier development, engineering capabilities, and quality systems that normally accompany value-added exporting and climb toward higher technology segments. In dependency terms, the core retains technological rents while the periphery specializes in low-value segments, inhibiting indigenous innovation and capability accumulation (UNCTAD, 2024).

A third mechanism operates through the macro-financial channel. A persistent bilateral trade deficit with China raises foreign exchange (FX) demand to pay for manufactured imports. When oil receipts weaken or global prices swing, FX shortages emerge, pressuring the exchange rate and importing inflation into the domestic economy. The NBS Q4 2023 bulletin recorded a sharp jump in imports (+163% y/y) and a merchandise trade deficit (NBS, 2024), illustrating how swings in external demand and prices can strain Nigeria's external balance. The IMF's Article IV consultation (IMF, 2024) similarly emphasizes how FX market functioning, inflation dynamics, and external vulnerability complicate macro stability in import-dependent settings, conditions that are squarely relevant where China is the dominant source of manufactured imports. These macro pressures feed back into industry: a weaker naira raises input costs; FX rationing disrupts supply; tighter monetary policy lifts working capital costs, each of which dampens domestic production and reinforces import reliance. Dependency theory interprets this as structural vulnerability, where peripheral economies remain exposed to external shocks due to reliance on core economies for industrial goods.

Notably, increases in headline trade volumes have not altered the structure of the relationship. While reports place 2024 bilateral trade above $20 billion (Tekedia, 2025), the composition remains commodities out/manufactures in. Even when Nigeria's exports to China rise at the margin (e.g., sesame or selected ores), these are typically raw or minimally processed, adding little technological content or value capture. Economy-wide snapshots from UNCTAD/WITS (2023) confirm that over 90% of Nigeria's merchandise exports still come from mineral fuels and primary products, with manufactured exports <1–2% in 2023–2024, a structure inconsistent with industrial upgrading or terms of trade improvement. This persistence exemplifies dependency theory's claim that peripheral economies remain locked into commodity dependence despite rising trade volumes.

The empirical literature complements these datasets. John Oti, Ayang, and Bako (2025) show that Nigeria's imports from China are concentrated in electrical machinery, telecommunications equipment, and textiles, while exports remain concentrated in crude petroleum and solid minerals, an arrangement that limits movement into higher value-added segments. Adonike, Uzonwanne, and Mbah (2022), using long-run ARDL with UNCTAD data, find that China-sourced categories such as electric power machinery, telecoms equipment, iron/steel, and textile fabrics have statistically significant effects on Nigeria's GDP through import-led pathways rather than export-driven expansion, highlighting weak forward linkages and low domestic value addition in the observed trade mix. Together, these empirical

studies corroborate the import-heavy structure seen in NBS (2024), OEC (2024), and UNCTAD/WITS (2023) data and clarify the channels: price competition, technology sourcing, and FX balance through which asymmetry reproduces dependency.

Within the dependency framework, these mechanisms are mutually reinforcing. Unequal exchange arises because value is captured in China's manufacturing and technology segments while Nigeria remains in resource extraction and raw material supply (Odeh, 2014); technological subordination persists because the capital goods pipeline runs outward rather than being domesticated; and macro instability endures because the FX outflow tied to manufactured imports exceeds the FX inflow that primary exports can sustain, especially when global commodity prices soften (IMF, 2024). The result is a developmentally shallow trade pattern: it meets consumption and some intermediate input needs, but does not deliver the learning-by-exporting, supplier deepening, or scale economies characteristic of sustained industrial catch-up. Empirically, this is visible in the 2023–2024 structure (OEC, 2024; UNCTAD, 2024) and in the dominance of Chinese imports (NBS, 2024; intelpoint, 2025), while the IMF's macro assessments explain why this trade features translate into currency pressure and imported inflation during shocks.

Analytical implication. Even as bilateral trade scales up, Nigeria's position remains peripheral unless composition shifts toward value-added exports and competitive domestic manufacturing. Within a dependency framework, this means that policy levers which leave the core–periphery structure intact: high manufactured goods imports from China and raw material exports from Nigeria, will reproduce the same outcomes: industrial stagnation, technology deficits, and FX-driven fragility. The empirical record for 2015–2024 demonstrates that rising trade volumes alone have not altered Nigeria's structural position; instead, they have deepened reliance on external technology and widened the trade deficit.

Conversely, measures that directly build domestic industrial capacity such as strengthening quality and standards systems, upgrading industrial clusters, expanding patient capital for machinery acquisition, and fostering university–industry technical training are consistent with dependency theory's prescription for breaking peripheral reliance. Export diversification with value addition, moving from raw to processed agro and mineral products, would allow Nigeria to capture more surplus domestically and reduce the unequal exchange that currently favors China.

Dependency theory underscores that without such structural interventions, Nigeria's trade with China will continue to deliver consumption benefits and short-term industrial inputs but will not generate the learning-by-exporting, supplier deepening, or scale economies that characterize sustained industrial catch-up. The empirical evidence: persistent commodity-heavy exports (UNCTAD/WITS, 2023), dominance of Chinese manufactured imports (NBS, 2024; OEC, 2024), and macro-financial vulnerabilities (IMF, 2024), confirms that Nigeria's trade structure remains locked in dependency dynamics. Thus, the analytical implication is clear: unless Nigeria deliberately alters the composition of trade, dependency will persist, and structural transformation will remain elusive despite rising trade volumes.

Conclusion

The analysis of Nigeria–China trade relations between 2015 and 2024 reveals a persistent structural imbalance that reinforces Nigeria's dependent position within the global economy. Drawing from

empirical evidence and theoretical interpretation, the strongest finding of this study is that Nigeria's trade with China is fundamentally asymmetrical, characterized by Nigeria's export of low-value primary commodities and its heavy importation of manufactured goods, particularly machinery, electronics, and textiles (Chimezie, 2020; Odeh, 2014; Atsiya & Tenuche, 2019). This structure aligns with Dependency Theory's central claim that peripheral states remain locked in unequal exchanges that limit their capacity for industrial growth and technological upgrading.

The long-term consequences of this imbalance are multi-dimensional. First, Nigeria's industrial base remains weak and vulnerable, unable to compete with the influx of cheaper Chinese goods that displace local producers. Second, the persistent trade deficit places pressure on Nigeria's foreign exchange reserves, contributing to macroeconomic instability. Third, the nature of the trade relationship restricts Nigeria's movement into higher value-added sectors, thereby constraining the structural transformation necessary for long-term development. Although bilateral trade volumes have increased significantly, these quantitative gains have not translated into structural change or enhanced productive capacity within Nigeria's domestic economy.

Overall, this study concludes that while Nigeria's trade relations with China offer short-term benefits, such as access to affordable consumer goods and industrial inputs, they simultaneously undermine Nigeria's long-term development prospects by entrenching patterns of dependency and weakening the country's industrial competitiveness. Effective policy intervention is therefore critical to reshape the terms of this partnership in a manner that promotes sustainable economic development.

Recommendations

Based on the empirical evidence and analytical findings, the following recommendations are proposed to address the structural imbalance in Nigeria–China trade relations:

1. Promote Export Diversification and Value Addition

Export diversification would enhance Nigeria's foreign-exchange stability, improve its trade position, and integrate Nigerian firms into wider regional and global value chains. By producing and exporting processed or semi-processed goods rather than raw materials, Nigeria can capture more value, strengthen competitiveness, and reduce vulnerability to commodity price shocks.

2. Strengthen Domestic Industrial Capacity

Strengthening industrial capacity therefore requires targeted support for priority manufacturing sectors such as textiles, agro-processing, assembly-type manufacturing, and light engineering, alongside improvements in standards enforcement to curb substandard imports that undermine local producers. By enhancing domestic productive capacity, Nigeria can gradually reduce import saturation, protect vulnerable industries, and build the foundation for technological learning and structural transformation.

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BIOGRAPHY

Dr. Uzodinma Chukwuemeka Okafor is an Associate Professor of Political Science with specialties in International Relations, strategic studies and conflict resolution. He lectures in the Department of Political Science, Nnamdi Azikiwe University, Awka.

Chinemelum Chinelo Ibenegbu is of the Department of Political Science, Nnamdi Azikiwe University, Awka. She is a young researcher interested in international studies, with a focus on global governance, diplomacy, and Africa's role in global affairs.