Issue 3 and Issue 4 December 2015

Tokunbo and Chinco economies in Nigeria: rethinking encounters and continuities in local economic transformations

by **Kudus Adebayo***Department of Sociology, University of Ibadan
Ibadan, Nigeria

Abstract

As encounters and interactions of Nigeria with Western and Asian economic powers intensify and deepen, the Nigerian economy continues to undergo transformations. This paper explores and compares Tokunbo and Chinco economies in this transformation process. As products of processes and patterns of incorporation of Nigeria into the world-economy, Tokunbo refers to an economy that relies on trade in second-hand, imported goods from the West while the *Chinco* economy is a recent creation through the influx of cheap China-made goods. They are parallel economies existing alongside, but mostly dominating, the local economy whose capabilities have been largely eroded as a result of decades of being in a protracted static position as a periphery nation. Their emergence is intricately connected to the overpowering juggernaut of global capitalism and the opportunistic tendencies and resolve of local entrepreneurs and transnational traders to participate in, as well as benefit from, the deepening incorporation of local market into the world-system, even if it means doing so as low-end actors. Also, while they are characteristically distinguishable, their logic and destabilising consequences are the same in a periphery nation. This calls for a rethink and critical reflection on the value of transnational processes which is currently intensifying in the face of global systems

* Kudus Adebayo is a PhD Candidate at the Department of Sociology at the University of Ibadan in Ibadan, Nigeria.



expansion, particularly the sort of trans-nationalism that is being facilitated by China's interest in African countries.

...our uneven relationship with Europe, and now including North America, remains basically unchanged. We continue to be trading posts which supply primary products in exchange for processed goods. ...These trading posts are run and maintained by our citizens. ...The activities of these agents constitute impediments to Black African development.

General Olusegun Obasanjo, 1977 (Obasanjo, 1977:19)

When faced with cheaper Chinese-produced imports, African textile and clothing manufacturers, the backbone of employment for many economies, shed jobs by their tens of thousands. It was for many observers... merely a new twist on an age-old story for Africa, the stripping of its resources by a foreign power to the benefit of a few fabulously wealthy leaders while ordinary Africans were left with a barren heritage.

Chris Alden, 2007

A nation that cannot determine its needs, based on an ability to control the internal and external environments, exists only as a "second-hand" economy – an inferior nation constructed from the perspective of others, which continues to exist only as long as the others determine its existence.

Akinpelu Olanrewaju Olutayo, 2013 (Omobowale, 2013a)

Introduction

The making of contemporary Africa societies has been shaped by the context of encounters with foreign economic powers. From the colonial to the post-colonial period, the encounter with the West (mainly Europe and North America) was prevalent. However, a new dimension has since been introduced following China's rising power in the global economy (Lumumba-Kasongo, 2011; Songwe and Moyo,

Issue 3 and Issue 4 December 2015

2012). As the opening quotations suggest, the encounters have affected Africa's economy in many ways. Moreover, with the increasing interest of world powers in Africa and her resources (Power and Mohan, 2010), far-reaching implications are to be expected. The study comparatively explores the ways in which the West and China are restructuring Nigeria's post-colonial economy through the legacies of *Tokunbo* and *Chinco* goods.

As products of processes and patterns of incorporation of Nigeria into the world-economy, *Tokunbo* refers to an economy that relies on trade in second-hand, imported goods from the West while *Chinco* economy is driven by the influx of cheap China-made goods. *Tokunbo* and *Chinco* are parallel economies that co-exist and compete with the local Nigerian economy. In carrying out the study, the following research questions were raised. What is the origin and character of *Tokunbo* and *Chinco* economies? In what ways are they different and what do they share in common? What roles do local entrepreneurs play in driving these economies? How have these economies changed the terrain of consumption in Nigeria? Finally, what implications do they have on the local economy? The study engaged these and other related questions using mainly secondary data sources, including published materials, news articles and blog posts.

In section two, the study frames *Tokunbo* and *Chinco* economies within the context of world-systems theory while sections three and four focus on their origins, meanings and distinct characteristics. In section five, some parallels are drawn between *Tokunbo* and *Chinco* as economic forms with comparable operating logic and consequences at the local level. Specifically, the section highlights how the two are linked in critical ways by process of global capitalist incorporation, dynamics of competition, participation of local entrepreneurs and by their dependence on the contexts of poverty and underdevelopment. In the final section, some conclusions are made about the implications of the economies in Nigeria and Africa as a whole.

The West, China and Nigeria in the world systems: a global perspective on local economic dynamics

This section theoretically situates the emergence and dynamics of Tokunbo and

Chinco economies in Nigeria using the world system theory (WST). WTS is a historico-structural and macro-level theory which explains the structures of national economies in terms of specific contradictions inherent in the capitalist world-economy (Massey, et al, 1993; King, 2012). WST represents the world as an expanding whole that is dynamically structured, highly stratified, and interdependent through a system of unequal exchange. The world-economy is the arena within which social action takes place and where social change occurs (Hopkins & Wallerstein, 1982).

World-systems theorising emphasised the endless accumulation of capital: an "[e] ndless accumulation...[in which] people and firms are accumulating capital in order to accumulate still more capital, a process that is continual and endless" (Wallerstein, 2004:24). The production process in the capitalist world-economy is split among structurally placed and interdependent areas. These areas are unified by their participation in accumulative and unequal exchange relations. Three structural positions exist: core, periphery and semi-periphery positions. "Core" and "periphery" positions occupy extremes of the relational process while "semi-periphery" mediates between them and shares both core and periphery features. The origin of core and periphery is economic and they "designate complementary parts of the world economy that gives rise to the differentiation of strong and weak states in a derivative way" (Munch, 1994:95).

What is normally designated as core, periphery or semi-periphery is *production process* (Wallerstein, 2004). In the core, production process is characterised by a high level of technological development, complex manufacturing, technological innovation, and high labour. The periphery areas, on the other hand, have low technology, production of simple agricultural products and mineral resources, and low labour cost (Munch, 1994). As a result, the core is structurally placed to dictate terms of trade in ways that allows surplus-value to flow from weaker, peripheral regions (Wallerstein, 2004). Unequal exchange comes about because periphery states, given their nature of production process, have to sell low-priced products involving low-cost labour (mainly raw materials and resources) in order to receive high-priced manufactured goods from core states (Munch, 1994). The semi-

Issue 3 and Issue 4 December 2015

periphery areas shares both core and periphery features. States occupying the semiperiphery are exploited exploiters, both appropriating resources from the periphery while at the same time experiencing their own appropriation from core areas. As Wallerstein (2004) posits:

...semiperipheral states... have a relatively even mix of production processes... Under pressure from core states and putting pressure on peripheral states, their major concern is to keep themselves from slipping into the periphery and to do what they can to advance themselves toward the core (Wallerstein, 2004:29).

The major force of transformation at local and global levels is the endless exploitation of periphery states by core states. In other words, capitalist accumulation at world level determines development and change, not only at its own global level but also at the levels of states and societies (Munch, 1994).

The incorporation of Nigeria into the world-systems started centuries ago. Within the modern capitalist world-economy, however, the periphery position of Nigeria can be traced to British colonialism. Colonialism created an economic system that intensified the peripherisation of Nigeria by entrenching a production process of primary production, low technologies, minimal mechanisation, and exportation of raw resources (Joseph, Taylor and Agbaje, 1996). By the 1980s, the West-controlled international financial institutions promoted economic adjustment policies that shifted the production process away from agriculture to oil extraction and exportation (Ezeala-Harrison, 1993; Okolie, 1995). Consequently, Nigeria became solidly attached to, and dependent on output from states with "core" production processes, mainly from the West but also from Japan, Taiwan and now China. Nigeria's dependency on importation can be traced to the economic changes of this period (Omobowale, 2013a, 2013b).

As argued in the next section, the development of *Tokunbo* (or second-hand) and *Chinco* economies are connected to the position occupied by Nigeria in the world-economy in relation to the West and China. While the core status of countries in the West is rarely contested, China's position in world-systems has been made

ambiguous by narratives that project the Middle Kingdom as socio-economic and political equals of Africans (Chen and Wang, 2011; Tang, 2011). Nevertheless, it is difficult to deny China's semi-peripheral status. In essence, China operates in core position to Nigeria and serves the West in periphery capacities. As Large (2008: 52) observes, "...China offers an impressive, if highly mixed, demonstration of a developing yet already significantly advanced economy." Since this millennium began, China's core features have rapidly become interconnected with Nigeria's periphery, especially through the pattern and crippling consequences of growing investment in, and massive exportation of finished goods into Nigeria (Akoh, 2014; Egbula and Zheng, 2011; Udeala, 2010; Large, 2008; Taylor, 2007). Today, there is a "Chinese factor" that cannot be neglected in the current structure of Nigerian local economy.

Tokunbo and second-hand economy in Nigeria

Tokunbo economy in Nigeria has its roots in the economic reforms of the 1980s. Based on the importation and circulation of second-hand goods from the West, Tokunbo is an economic form that emerged as the country shifted gradually from production to commerce following the implementation of Structural Adjustment Programme (SAP) from 1986 (Guyer, et al, 2002). According to Omobowale (2013a), Tokunbo evolved in response to the colonial experience of the Yorubaspeaking people of South-Western Nigeria. Literally meaning 'from across the seas,' Tokunbo was originally a name given to children conceived in Europe and North America. Among the Yoruba, *Tokunbo* is a special name appropriated to signify the membership of the name-bearer and his/her family in the elite class. Given the prestige the name conferred on the bearer, the appropriation of the word *Tokunbo* for imported second-hand goods was pragmatic for easing the population into a new state of depravity in the SAP years. As with other linguistic constructs, Adegoju (2007) contends that Nigerians often invent or reconstruct terms and deploy them as a means of configuring or concealing depravity and everyday problems, from work to social life and politics.

In the mid-1970s and early-1980s, the use of imported second-hand goods was not

THE CHINA MONITOR

Issue 3 and Issue 4 December 2015

commonplace, and their procurement was often criticised publicly "scraps" (Ikporukpo, 2002). Before the collapse of commodity market in the 1980s, oil revenue allowed public servants and middle class citizens to buy new cars. Also, industrialisation was slowly taking off to cater for the consumption needs of the population, including the textile industry which employed a very large proportion of the labour force and produced local fabrics that were traded in and outside Nigeria (Akinrinade and Ogen, 2008; Denzer, 2002). In the wake of the first ever currency devaluation, life in Nigeria was "maddeningly difficult" (Guyer, et al., 2002). The imported second-hand goods that were condemned as "scraps" gradually became the norm (Ikporukpo, 2002). At the height of SAP maladjustment in 1991/92, many cars on the roads of Nigeria's biggest cities were imported second-hand, with public transport in Lagos city depending greatly on reconstructed imported Mercedes-Benz 911 known as Molue (Osinulu, 2008). From 1995, there was a dramatic rise in the importation and patronage of second-hand clothes (Denzer, 2002). While noting that imported second-hand clothes have been in use since the colonial times, Denzer (2002) observes that the poor, who represented the main patrons of used clothes, faced increasing competition from middle class and wealthy buyers under SAP. Apart from cars and clothes, goods such as electronics, kitchen and household wares, chairs, auto spare parts, shoes, bags, farm equipment etc. were also circulating in the second-hand economy. Although imported second-hand goods have different nomenclatures, they were collectively known as Tokunbo.

Omobowale (2013a) agrees that the economy within which *Tokunbo* goods are circulating is an aspect of the "glocal" experience which reveals the changing dynamics of local consumption within the global second-hand context. The symbolic rational meaning that creates and reinforces the value-attachment to *Tokunbo* goods among Nigerians continues to be central to its popularity. Indeed, there is a shared understanding among everyday people that real distinction exists between imported second-hand *Tokunbo* – and local second-hand – derisively referred to as *aloku* – (Omobowale, 2013a). Local entrepreneurs therefore leverage on this to thrive and prosper in the context of currency devaluation and generalised social depravity (Ikporukpo, 2002).

In addition to the rise and expanding networks of special second-hand importation merchant class that resulted, durable livelihoods have been built around Tokunbo economy in many Nigerian cities. From Otigba, Yaba and Aswani markets in Lagos to specialised markets in Ibadan, Kano, Aba and other major urban centres, Tokunbo economy continues to thrive by connecting local consumers with "used" materials of Western modernity. However, the negative consequences of this "popular economy" (Guyer, et al., 2002) on local economic structure has been pervasive. For one, government's anti-Tokunbo stance has failed to curtail imports of second-hand goods (Ikporukpo, 2002), with operators of auto assembly plant finding it increasingly difficult to compete against culturally-valued economy of used things. The importation of *Tokunbo* electronics and ICT hardware have also been linked to the prevailing context of e-waste in Nigeria within a rapidly globalising world (Omobowale, 2012, 2013b). Also, garment makers complain that *Tokunbo* clothes trade has diverted a significant share of business from them (Denzer, 2002). At industry level, some argue that SAP dug the grave that consumed the local textile industry as it opened African economies to second-hand clothing, resulting in a decline in domestic market for African textile manufacturers (Sautman and Hairong, 2008). This contradicts the position which blames China's de-industrialisation policy for the demise of the textile industry (Akinrinade and Ogen, 2008). Regardless of whether these objections can be sustained, Tokunbo economy remains a most visible legacy of Nigeria's encounter with Western power, modernity and capital in the twenty-first century.

Chinco economy in Nigeria: a context of Chinese presence

The use of *Chinco* in everyday interaction is connected to China's ascendance in Nigeria. As with the *Tokunbo*, *Chinco* is a product of a combination of experience and imagination in everyday interaction of Nigerians with China and China-made goods. Realistically, the spread and popularity of Chinese goods can be traced to changes of the past decades. Although the *Chinco* economy, as conceptualised in this study, is due to transformations of the last decade and half when "things from China" became pronounced among Nigerians, particularly China-made cell phones. During Olusegun Obasanjo's tenure as president of the Fourth Republic, Nigeria witnessed

THE CHINA MONITOR

Issue 3 and Issue 4 December 2015

the institutionalisation of far-reaching economic reforms that led to the deregulation of the telecommunication industry in the early 2000. Private telecoms operators pushed to liberalise access to mobile services by expanding network reach and distributing SIM cards to millions in rural and urban areas. Unfortunately, the gap in access to cell (phones) devices remains wide. Popular brands such as Nokia, Samsung, Sony, and LG were expensive for the largely impoverished population. Also, the quality of service was very poor and network did not reach many communities, even in the cities. So, Nigerians increasingly relied on more than one cell phone/networks to stay connected. What is more, as the Internet services was stabilising, affordable cell phones were useless to those seeking to explore the net. Thus, *Chinco* phones entered the Nigerian market at a time of great need.

But what does Chinco mean? In the Nigerian context, Chinco represents at least two ideas. First is the idea of Chinco as identity¹. Chinco in this sense merely names people perceived to be of Chinese origin. Its imposition on certain foreigners is dependent almost entirely on physical appearance and popular intuition about where the foreigner in question is most likely to have come from. Since the identity is often imposed subjectively, *Chinco* identification could overlap with the identities of other "Chinese-looking people," including Japanese, Taiwanese, Koreans, etc. While noting that indiscriminate imposition of Chinese identity is common in African countries, Alden (2007) underlines that it constitutes a source of generalisation and stereotyping surrounding China and Chinese on the continent. As a type of economy, Chinco is an emergent form of alternative economy in Nigeria – a unique economic form consisting of ceaseless circulation and trade in China-made goods. The range of goods flowing through this economy is diverse, from items such as shoes, bags, sunglasses, textiles, drugs and food products to small and heavy machineries and electronics. While China-made goods are found all over the world, Chinco is an economy of glocality that relies on the importation and widespread use of goods with distinct characteristics.

In everyday conversation, *Chinco* is projected ambiguously with varying degrees of negative and positive attributions. In its negative representation, Nigerians invoke words such as "cheap," "fake," "not durable," and "low class." *Chinco* economy is



also linked with faking and counterfeiting (Okereocha, 2014). An example of such negative characterisation is noticeable in the work of one artist. In describing her artwork titled "*Chinco*' no dey last" (meaning literally "*Chinco* is not durable"), she explains thus:

Chinco is a metaphor for most things imported into the country that never have lasting values. So it gets broken, or goes bad, we as Nigerians, go back to replace it because it is "Made in China," and it doesn't last (Odytyna, 2013).

With specific reference to China-made phones, another author writes that:

They call them Chinco phones, a derogatory word used to denote their origins from China... Every consumer who has used one of these phones have their own story to tell – repeated experiences of loss of memory, data, virus attacks and other anomalies are common from users (Prince, 2011).

Besides, *Chinco* phones are notorious for causing social embarrassment to the user². As shown in the following quotation, it is also an economy that people perceive as targeting the poor segment of the society, and is thus considered inferior and lowly:

Chinco phones address the bottom of the economic pyramid... They are dirt cheap and this reflects in both the hardware and the software. The hardware often have odd designs. You just KNOW that this is not Nokia or Samsung. But when you switch on a Chinco phone, the audio that greets you confirms further the identity of the device you are holding. Loud, un-refined, high-pitched, ear-jarring audio. ...[O] nce the phone is fully booted, the user interface and OS completes the verification process (Mobility, 2012).

Yet, as a result of the prevailing social and economic conditions in the local receiving context, the utility of the goods that circulates within *Chinco* economy also invokes positive characterisation. When participants – consumers or commodity dealers alike – explain what the attractions of *Chinco* are, it is commonplace to come across descriptions such as affordable, innovation, and responsiveness to local needs (Prince, 2011; Mobility.ng, 2012). In terms of innovation, it was through the cell phones that are circulating within *Chinco* economy that many Nigerians encountered

AFRICAN EAST-ASIAN AFFAIRS THE CHINA MONITOR

Issue 3 and Issue 4 December 2015

phones with terrestrial TV and dual/four-SIM capability for the first time (Mobility.ng, 2012). According to a cell phone dealer in Kano, *Chinco* phones are in high demand than "original phones" because of innovations such as dual SIM capability (Prince, 2011). It has also been argued that *Chinco* products add a level of prestige and self-respect and offers alternatives of new goods to the hitherto dominant second-hand imports (Kalu, 2012; Alden, 2007). Meanwhile, it was becoming too expensive for local businessmen to trade in imports from Europe (Mbachu, 2006). These positive characterisations have contributed to the growing popularity of *Chinco* economy among the local population.

Local economic dynamics and the political economy of "Chinco problem"

In cities and rural areas of Nigeria, *Chinco* goods have high visibility. A sense of its increasing proliferation can be noticed in the growing number of low-level economic actors venturing into trade in China-made goods. In the South-western cities of Lagos and Ibadan, 'wheelbarrow livelihoods' that are exclusively dedicated to retailing of China-made phone accessories, rechargeable lamps, power packs, textiles, shoes etc. have emerged. On the internet, enthusiasts of *Chinco* are starting to appear. Mainly interested in *Chinco* phones, these enthusiasts, operating through blogs, write posts to advice prospective users of smart phones with little budgets on how to detect "good" or "bad" *Chinco* phones by issuing specific diagnostic instructions (*see* Miracle, 2012).

Nigerian and Chinese business people are key actors driving *Chinco* economy. In 2013, Liu Kan, the Consul-General of the Chinese consulate in Lagos, said that 20,000 Nigerians were issued visas to China, with those travelling for business transaction constituting the majority (Within Nigeria, 2014). In the south-eastern Nigeria, local entrepreneurs in Nnewi market are in the middle of a trade network that linked nodes in different parts of Nigeria and Asian countries (Bräutigam, 2003). Similarly, the Chinese diaspora in Nigeria is high and growing with estimates ranging from 20,000 (Morning Whistle, 2012) to 50,000 (Burgis, 2010). Many engage in trading, although there are construction workers and employees of oil firms among them. Whether competing or co-operating, Nigerians and Chinese



participate in a cross-border trade that facilitates the spread of China-made goods in Africa's most populous country (Lan & Xiao, 2014).

Nevertheless, *Chinco* economy has been under serious attack from different quarters of the Nigerian society. The onslaught against the economy is driven by actors with varying degree of formality and interests, including state agencies, local traders, business concerns, and the academia. The narratives sustaining the offensive have multiple sources, although most derive from everyday idea about *Chinco* and "substandard" or "fake" things, and from sentiments around the perceived threats to local businesses, labour and economy.

Among local traders, the view that there is a "Chinese problem" in the marketplace is shared, and anti-Chinese sentiments is common. Akinrinade and Ogen (2008) argue that China has been pursuing a policy of de-industrialisation in the Nigeria, maintaining that there exist forces of exploitative Chinese neo-liberalism masquerading as South-South co-operation. *Chinco* is believed to be based on poor labour practice, and the goods circulating within it are perceived to be in competition with local goods, having consequences for the survival of local factories (Adisu, *et al*, 2010). The Chinese have also been accused of stealing job opportunities from the local population (Burgis, 2010; Morning Whistle, 2012) and criticisms of "dumping" is common (Michael, 2014).

Particularly, local traders in Onitsha believe that Chinese traders have an agenda to "finish them" (Kantai, 2010)³. In Lagos, the president of a group called Phone and Allied Products Dealers Association of Nigeria (PAPDAN) granted an interview where he complained that the influx of substandard China-made phones is eroding customers' confidence and constitutes a threat to national economy (Consumer News Nigeria, 2012). The frontrunner of the association of about 3,000 members criticised the Chinese for participating indiscriminately in the economy and "tak[ing] everything from the locals."

The discontent of government agencies is often clad in legalistic terms. Like the traders, Nigeria high-ranking officials claimed that Chinese goods are substandard and constitute a threat to local economy (Prince, 2011; Mbachu, 2006). The context

THE CHINA MONITOR

Issue 3 and Issue 4 December 2015

of involvement of Chinese nationals in illegality has also been used as justification for denouncing and clamping down on *Chinco* economy⁴. At the popular Otigba market (also known as computer village) in Lagos, government enforcement agencies, acting in the interest of the public, routinely embark on raids intended to check the influx of fake/counterfeit products supposedly imported from China (Ubabukoh, 2012). Trading associations such as CAPDAN (Computer and Allied Products Dealers Association of Nigeria) have always resisted such clamp downs by questioning the legitimacy of the raids (Ubabukoh, 2012). Meanwhile, other interests are collaborating with government agencies to campaign against *Chinco* products. For example, Nokia succeeded in mobilising institutions, relevant government agencies and the media in a bid to curb the growing "menace" of substandard Chinese phones. The Nokia "crusade" followed other repeated attacks by other cell phone manufacturers who alongside Nokia, had lost huge revenue to the "*Chinco* threat" (Prince, 2011).

The foregoing indicates that the *Chinco* phenomenon has a political economy of its own. As a result of the growing popularity of the economy, *Chinco* often brings competing interests face to face. In the process of balancing the profit of businesspeople with public policy concern that aims to liberalise access to consumer goods while ensuring consumer protection, *Chinco* economy pitch government agencies and producers or distributors of popular consumer brands against those trading in Chinese-made goods.

Tokunbo, Chinco and the local receiving context: exploring parallels

Tokunbo and Chinco economies share interesting parallels that should be highlighted. In the previous sections, differences revolve around geographical origins, historical period of emergence, and the type of goods circulating within the economies. However, there are also important similarities between the two economies. First, both are manifest legacies of the incorporation of Nigeria into the world-economy, and are by extension critical significations of glocal processes (Robertson, 1995). The exposure of Nigerian societies to things of western modernity in the colonial and post-colonial periods, and the forceful opening of the

economy to West-controlled world-economy, were critical in the production of Tokunbo economy. In a bid to sustain elite tastes and preferences for foreign goods, Nigerian civil servants switched and began to attach value to *Tokunbo* from countries of the former masters (Omobowale, 2013a). The national economy worsened as SAP deepened in the 1980s and 1990s. Local capacity to produce locally responsive consumer goods and compete in the global marketplace declined along with it. At the turn of millennium, Nigeria was still largely impoverished and lacked adequate, efficient, and cost-effective productive capacity to meet the consumption demands of her growing population. Of course, Chinese capitalism was already global in the late 1990s, but in the case of Nigeria, *Chinco* economy succeeded in circulating goods that satisfied unmet needs for the consumption of current modernity. Clearly, the emergence and rootedness of both Tokunbo and Chinco were aided by the way in which Nigeria's production process was peripherised in the world capitalist economy. Second, Tokunbo and Chinco are parallel economies that co-exist and compete with the local economy. In this role, Chinco and Tokunbo economies sometimes complement local economic structure in providing the access of consumer to goods that would ordinarily be out of reach for majority of the population. At the same time they are competing against local manufactures. It should be noted that the competition is not just between the foreign economies and the local as both *Tokunbo* and *Chinco* goods are also in competition.

Third, local Nigerian entrepreneurs are important drivers of *Tokunbo* and *Chinco* economies. As importers, distributors and retailers, Nigerians connect local consumers with multiple centres for consumer goods in the West and East, and are partaking actively in transnational value chains that link Nigeria with the world of things and capital. Given the longstanding involvement of Nigerians in cross-border trade (Agozino and Ayanike, 2007; Curtin, 1984; Cohen, 1969), the participation of local entrepreneurs in facilitating importation-based economies is not a surprise. However, while historic entrepreneurs exchanged commodities based on value rather than capital, local drivers of *Tokunbo* and *Chinco* economies are driven by the exigency of capital and profit in an increasingly lopsided capitalist world-system. Also, unlike past cross-border traders who operated within fluid and ambiguous

Issue 3 and Issue 4 December 2015

borders, contemporary traders are operating trans-continentally across clearly defined boundaries and mobility rules, which often demand the invention of extralegal means in order for them to function. So, whether smuggling *Tokunbo* goods through illegal routes or importing *Chinco* manufactures in the shadow of the state (Mathews & Yang, 2012; Adesina, 2002), local entrepreneurs are intensifying the entrenchment of multiple economies in Nigeria, thus deepening the incorporation of local market into the world-system.

Finally, *Tokunbo* and *Chinco* are essentially economies of poverty and underdevelopment. As shown in previous sections, both economies emerged and continue to thrive in an environment of socio-economic and general structural imbalances. They depend on institutional and policy failures, as well as on the failings of local economy to meet and satisfy consumption demands in an interconnected, free and rapidly transforming world. The four parallels that underline that fundamental continuities are inherent in the relationships between nations with core production processes and their periphery counterparts, even when the actors involved are changing.

Conclusion

The contexts of *Tokunbo* and *Chinco* are new frames for comparatively exploring the consequences of the West and China in the Nigerian society. As argued in the article, the pattern of incorporation of Nigeria into the world capitalist economy contributed to the emergence and proliferation of *Tokunbo* and *Chinco* economies. While *Tokunbo* and *Chinco* are evidently phenomena of glocality, the popularity of the goods that are circulating within both economies are clearly connected to the process of "globalisation from below" – a reality "in which 'small' players, as opposed to mega-corporations, make use of the opportunities offered by globalisation" (Mohan and Zack-Williams, 2002:21) to meet local consumption needs. This much may be deduced from the embeddedness of *Tokunbo* and *Chinco* in day to day exchanges, and from the energetic participation of small scale entrepreneurs from Nigeria and China in both economies. Meanwhile, although both economies are characteristically distinguishable, their logic and destabilising consequences are the same in the



periphery nation.

No doubt, the role of the economies in the lives of ordinary people imbues them with a degree of importance that cannot be downplayed – *see* Zi (2015) for similar conclusion on Chinese "Fong Kong" goods in Botswana. However, in Nigeria and the rest of Africa, the proliferation of the economies is symptomatic of the much larger problem of underdevelopment and intractable dependency syndrome on the continent. As signature economies, *Tokunbo* and *Chinco* are legacies of colonialism and dependent development on the continent. To this extent, the question of whether the West and China can indeed uplift Africa and improve the lives of Africans in the long-term will remain a subject of debate.

Endnotes

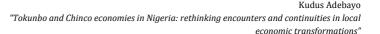
- 1. Other popular identities invented for foreigners in Nigeria include Kora (Middle Easterners and Indians) and Oyinbo (Westerners/Caucasians).
- 2. Correct name on dial screen, the phone was actually calling another person (Prince, 2011).
- 3. Some Ibo traders believe that the spate of kidnapping of foreigners has been their saving grace, saying that "If it wasn't for the kidnappers, we would not be talking like this today. The Chinese would have run us out of business!" (Kantai, 2010)
- 4. Chinese traders, about 45 in total, including 11 women, had run-ins with the Nigerian authorities over illegal textile trading (Morning Whistle, 2012). The Chinatown located in Lagos had problems relating to textile smuggling, counterfeiting and storage of poor quality fabrics (Mbachu, 2006).

Bibliography

Adegoju, A. 2007. Corruption of Language and Nigeria's Debased Value System. *Nebula*, 4(3): 339–356.

- Adesina, C. O. 2002. Growth and Change in Urban Underground Foreign Exchange Market duing Devaluation, in J. I. Guyer, L. Denzer, and A. Agbaje (eds.). *Money Struggles and City Life: Devaluation in Ibadan and Other Urban Centres in Southern Nigeria, 1986-1996* Portsmouth: Heinemann. 75–92.
- Adisu, K., Sharkey, T., and Okoroafo, S. C. 2010. The Impact of Chinese Investment in Africa. *International Journal of Business and Management*, 5(9): 3–9.
- Agozino, B., and Ayanike, I. 2007. Imu Ahia: Traditional Igbo Business School and Global Commerce Culture. *Dialectical Anthropology*, 31(1/3): 233–252.
- Akinrinade, S., and Ogen, O. 2008. Globalization and De-Industrialization: South-South Neo-Liberalism and the Collapse of the Nigerian Textile Industry. *The Global South*, 2(2): 159–170.
- Akoh, I. A. 2014. The Place of Commercial Diplomacy in Nigeria-China Relations. *Journal Of Humanities And Social Science*, 18(7): 63–69.
- Alden, C. 2007. *China in Africa*. London: Zed Books and International African Institute.
- Bräutigam, D. 2003. Close Encounters: Chinese Business Networks as Industrial Catalysts in Sub-Saharan Africa. *African Affairs*, 102(408): 447–467.
- Burgis, T. 2010. *Generation of Industrialists Makes Way for a New Wave* [Online]. Available: http://search.proquest.com/docview/375325672?accountid=8579 [2015, June 23].
- Chen, D., and Wang, J. 2011. Lying Low No More? China's New Thinking on the Tao Guang Yang Hui Strategy. *China: An International Journal*, 9(2): 195–216.
- Cohen, A. 1969. *Custom and Politics in Urban Africa: A Study of Hausa Migrants in Yoruba Towns*. London: Routledge and Kegan Paul.
- Consumer News Nigeria. 2012.

 Influx of Substandard Chinese Phones is Killing Our Business, Says





- *Phone Dealers* [Online]. Available: f:http://consumernewsng.com/2012/12/20/influx-of-substandard-chinese-phones-is-killing-our-business-says-phone-dealers/ [2015, March 2].
- Curtin, P. D. 1984. *Cross-Cultural Trade in World History*. Cambridge: Cambridge University Press.
- Denzer, L. 2002. High Fashion and Flunctuating Fortunes: The Nigerian Garment Industry under Structural Adjustment, in J. I. Guyer, L. Denzer and A. Agbaje (eds.). *Money Struggles and City Life: Devaluation in Ibadan and Other Urban Centres in Southern Nigeria, 1986-1996* Portsmouth: Heinemann. 93–114.
- Egbula, M., and Zheng, Q. 2011. China and Nigeria: A Powerful South-South Alliance. *West African Challenges*, No. 5, November. Sahel and West Africa Club Secretariat (SWAC/OECD) [Online]. Available: http://www.oecd.org/china/49814032.pdf [2014, June 11].
- Ezeala-Harrison, F. 1993. Structural Re-Adjustment in Nigeria: Diagnosis of a Severe Dutch Disease Syndrome. *American Journal of Economics and Sociology*, 52(2): 193–208.
- Guyer, J. I., Denzer, L., and Agbaje, A. 2002. Introduction: The Nigerian Popular Economy Struggles Toward a Study, in J. I. Guyer, L. Denzer and A. Agbaje (eds.). *Money Struggles and City Life: Devaluation in Ibadan and Other Urban Centres in Southern Nigeria, 1986-1996.* Portsmouth: Heinemann, ix–xvi.
- Hopkins, T. K., and Wallerstein, I. 1982. World-Systems Analysis: Theory and Methodology. Beverly Hills, C.A.: Sage.
- Ikporukpo, C. 2002. The Tokunbo Phenomenon and the Transformation of the Motor Mechanic Trade in Ibadan, in J. I. Guyer, L. Denzer and A. Agbaje (eds.), *Money Struggles and City Life: Devaluation in Ibadan and Other Urban Centres in Southern Nigeria, 1986-1996.* Portsmouth, Heinemann. 133–

146

- Joseph, R., Taylor, S. and Agbaje, A. 1996. Nigeria, in M. Kesselman, J. Krieger, and W. Joseph (eds.). *Comparative Politics at the Crossroads*. Lexington, M. A.; D.C. Heath and Co. 615–689.
- Kalu, N. E. 2012. Understanding Africa's China Policy: A Test of Dependency Theory and a Study of African Motivations in Increasing Engagement with China. University of Nebraska, Political Science Department. Lincoln: Lincoln Digital Commons.
- Kantai, P. 2010. *Traders Struggle in a Hostile Environment on their Home Turf* [Online]. Available: http://search.proquest.com/docview/755700054? accountid=8579 [2015, June 23].
- King, R. 2012. *Theories and Typologies of Migration: An Overview and a Primer*. Working Paper No. 3/12. Malmo University. Malmo: Malmo Institute for Studies of Migration, Diversity and Welfare (MIM).
- Lan, S. and Xiao, A. H. 2014. Trans-border Mobility and Cross-Cultural Business Networking among Chinese and Nigerian Petty Entrepreneurs. *Politique Africaine*, 134(2): 45–67.
- Large, D. 2008. Beyond "Dragon in the Bush": The Study of China-Africa Relations. *African Affairs*, 107(426): 45–61.
- Lovejoy, P. E. 1973. The Kambarin Beriberi: The Formation of a Specialized Group of Hausa Kola Traders in the Nineteenth Century. *The Journal of African History*, 14(4): 633–651.
- Lumumba-Kasongo, T. 2011. China-Africa Relations: A Neo-Imperialism or a Neo-Colonialism? A Reflection. *African and Asian Studies*, *10*: 234–266.
- Massey, D. S., Arango, J., Hugo, G., Kouaouci, A., Pellegrino, A., and Taylor, J. E. 1993. Theories of International Migration: A Review and Appraisal. *Population and Development Review*, 19(3): 431–46.



- Mathews, G., and Yang, Y. 2012. How Africans Pursue Low-End Globalisation in Hong Kong and Mainland China. *Journal of Current Chinese Affairs*, 2: 95 –120.
- Mbachu, D. 2006. Nigerian Resources: Changing the Playing Field. *South African Journal of International Affairs*, 13(7): 77-82.
- Michael, O. 2014. Long and Short Term Effect of China's Non Oil Import Dominance in Nigeria. *Mediterranean Journal of Social Sciences*, 5(10): 156–162.
- Miracle, O. 2012. *Cheapest 2013 Andriod Phones Every Nigerian Can Afford* [Online]. Available: http://www.obasimvilla.com/2012/12/cheapest-2013-andriod-phones-every.html [2015, June 14].
- Mobility. 2012. *Innovation Avenue: Stop Hating on Chinko Phones* [Online]. Available: Mobility.ng: http://mobilityarena.com/innovation-avenue-stop-hating-on-chinko-phones/ [2015, March 4].
- Mohan, G., and Zack-Williams, A. B. 2002. Globalisation from Below: Conceptualising the Role of the African Diasporas in Africa's Development. *Review of African Political Economy*, 29(92): 211-236.
- Morning Whistle. 2012. 45 Chinese Arrested in Nigeria for Illegal Textile Trading [Online]. Available: http://search.proquest.com/docview/1350964453? accountid=8579 [2015, June 23].
- Munch, R. 1994. *Sociological Theory: Development Since the 1960s* (Vol. III). Chicago: Nelson-Hall Publishers.
- National Bureau of Statistics. 2012. *Nigeria Poverty Profile 2010*. Abuja: National Bureau of Statistics.
- Obasanjo, O. 1977. Opening Address to the Colloquium of the Second World Black and African Festival of Arts and Culture, delivered by His Excellency Lt. General Olusegun Obasanjo. *Colloquium on Black Civilisation and*

THE CHINA MONITOR

Education Proceedings, I: 19.

- Okereocha, C. 2014. Why Barons of Fake Products are Smiling to the Banks [Online]. Available: http://thenationonlineng.net/why-barons-of-fake-products-are-smiling-to-the-banks/[2015, March 3].
- Okolie, A. C. 1995. Oil Rents, International Loans and Agrarian Policies in Nigeria, 1970-1992. *Review of African Political Economy*, 22(64):199–212.
- Omobowale, A. O. 2012. Global E-Waste Management and Second-Hand Consumption in the Third World: Substandard Context and Tokunbo Phenomenon in Nigeria. *The Nigerian Journal of Sociology and Anthropology*, 10: 88–99.
- Omobowale, O. A. 2013a. The Tokunbo Phenomenon and the Second-Hand Economy in Nigeria. Berne: Peter Lang.
- Omobowale, A. O. 2013b. Tokunbo ICT Symbolic-Rationality of Second-Hand ICT Utilisation in Nigeria. *International Journal of Sociology and Social Policy*, 33(7/8):509–523.
- Osinulu, D. 2008. Painters, Blacksmiths and Wordsmiths: Building Molues in Lagos. *African Arts*, 41(3): 44–53.
- Power, M., and Mohan, G. 2010. Towards a Critical Geopolitics of China's Engagement with African Development. *Geopolitics*, 15:462–495.
- Prince, O. 2011. *The Rise and Fall of Counterfeit Phones*. [Online]. Available: http://www.vanguardngr.com/2011/01/the-rise-and-fall-of-counterfeit-phones/ [2015, July 1].
- Robertson, R. 1995. Glocalization: Time-Space and Homogeneity-Heterogeneity. In M. Featherstone, S. Lash, and R. Robertson (eds.). *Global Modernities*. London: Sage. 25–44.
- Sautman, B., and Hairong, Y. 2008. The Forest for the Trees: Trade, Investment and the China-in-Africa Discourse. *Pacific Affairs*, 81(1): 9–29.



- Songwe, V. and Moyo, N. 2012. China-Africa Relations: Defining New Terms of Engagement. Foresight Africa: Top Priorities for the Continent in 2012 [Online]. Available: http://www.brookings.edu/~/media/research/files/reports/2012/1/priorities-foresight-africa/01_china_africa_relations_songwe_moyo.pdf [2014, July 18].
- Tang, J. T. 2011. Chinese Foreign Policy Challenges: Periphery as Core, in A. Carlson and R. Xiao (eds.). New Frontiers in China's Foreign Relations. Maryland: Lexington Books. 173–190.
- Taylor, I. 2007. China's Relations with Nigeria. *The Round Table*, 96(392): 631–645.
- Ubabukoh, O. 2012. Fake Phone: CAPDAN Decries SON's Comment. [Online]. Available: http://www.punchng.com/business/technology/fake-phonescapdan-decries-sons-comment/ [2015, March 23].
- Udeala, S. O. 2010. Nigeria-China Economic Relations Under the South-South Cooperation. *African Journal of International Affairs*, 13(1/2): 61–88.
- Wallerstein, I. 2004. *World-Systems Analysis: An Introduction*. Durham and London: Duke University Press.
- Within Nigeria. 2014. 20,000 Nigerians obtained visas to China in 2013 Envoy [Online]. Available: http://www.withinnigeria.com/20000-nigerians-obtained-visas-to-china-in-2013-envoy/ [2015, March 2].