African Studies Review (2025), **68**: 1, 7–30
doi:10.1017/asr.2025.20

ARTICLE

Decentering the Dollar in Africa-China Trade: How Nigerian Entrepreneurs Navigate Currency Swaps and Digital Currencies in an Era of USD Hegemony and RMB Internationalization

Jing Jing Liu

MacEwan University
Emails: jingjingliu.ca@gmail.com; liuj79@macewan.ca

(Received 31 May 2024; revised 02 January 2025; accepted 31 January 2025)

Abstract

Debates on dedollarizing and internationalizing China's currency, the renminbi (RMB), often focus on state-led initiatives such as bilateral currency swaps and Central Bank Digital Currencies while overlooking the role of entrepreneurs utilizing US dollar (USD) alternatives. Ethnographic fieldwork with Nigerian importers of Chinese goods reveals how parallel payment currencies and channels—informal naira-RMB transfers and illicit cryptocurrency transactions—are just as essential in the Global South to decenter US dominance: its currency, institutions, and authority. Analyzing formal monetary policies and local money practices, Liu shows how Nigerian importers cultivate multicurrency fluency, which is vital in an incipient era of political and economic multipolarity.

Résumé

Les débats sur la dédollarisation et l'internationalisation de la monnaie chinoise, le renminbi (RMB), se concentrent souvent sur des initiatives menées par l'État telles que les échanges de devises bilatéraux et les monnaies numériques de la banque centrale, tout en négligeant le rôle des entrepreneurs utilisant des alternatives au dollar américain (USD). Un travail ethnographique de terrain auprès d'importateurs nigérians de produits chinois révèle comment les monnaies et les canaux de paiement parallèles – les transferts informels en naira-RMB et les transactions illicites en crypto-monnaie – sont tout aussi essentiels dans les pays du Sud pour décentrer la domination des États-Unis : sa monnaie, ses institutions et son autorité. En analysant les politiques monétaires formelles et les pratiques monétaires locales, Liu montre comment les importateurs nigérians cultivent la maîtrise de plusieurs devises, vitale à une époque naissante de multipolarité politique et économique.

Resumo

Os debates sobre a *desdolarização* e a internacionalização da moeda chinesa, o renminbi (RMB), centram-se muitas vezes em iniciativas lideradas pelo Estado, como as trocas de moeda bilaterais e as moedas digitais do Banco Central, ignorando o papel dos empresários que utilizam alternativas ao dólar americano (USD). O trabalho de campo etnográfico realizado junto de importadores nigerianos de produtos chineses revela que, no Sul Global, as moedas e os canais de pagamento paralelos – transferências informais entre nairas e RMB, bem como transacções ilícitas de criptomoeda – são igualmente essenciais para reduzir o domínio dos EUA: a sua moeda, as suas instituições e a sua autoridade. Através da análise das políticas monetárias formais e das práticas monetárias locais, Liu mostra de que modo os importadores nigerianos promovem a utilização simultânea de várias moedas, o que é essencial nesta fase incipiente de multipolaridade política e económica.

Keywords: money; currency; cryptocurrency; US dollar (USD); renminbi (RMB) or yuan (CNY); naira (NGN); Africa-China trade; Nigeria; importers; payment

Introduction

Living costs in Lagos skyrocketed in June 2023 after the Nigerian government simultaneously removed long-standing fuel subsidies and unified the parallel and official exchange rates.[1] Although only halfway through my fieldwork, policy changes sparked overnight price increases and depleted my budgeted US dollars (USD). In a bind, I asked my friend Paul, a forty-something-year-old Igbo man, to facilitate a USD transfer to his Nigerian domiciliary account. A domiciliary account denominates inflows and outflows in USD without converting to naira, Nigeria's currency. To me, the request appeared procedural for a seasoned manufacturer, importer, and freight forwarder. Paul balked at the assumption. "I closed my dom[iciliary] account when [Muhammadu] Buhari became president. That was eight years ago." If USD is the de facto currency of international trade, how have Nigerians imported Chinese goods without it?

Paul's case reflects how Nigerian traders like him have circumvented the dollar while contributing to Nigeria's position as the second-largest African trade corridor with China (Omobola 2023). China is also Nigeria's largest import origin. In 2022, imports totaled USD19.8 billion (OEC 2024a), representing almost 30 percent of Nigeria's total imports (OEC 2024b). As an alternative to the USD and international bank transactions, Paul and his Chinese wife transact in China's currency, the renminbi (RMB).[2] The couple orchestrates informal money transfers and naira-RMB exchanges through text messages, phone calls, and domestic bank transfers in Nigeria and China. The process is akin to *hawala*, used throughout India, the Middle East, and North Africa, and China's *feiqian*, also known as "flying money." All three leverage global underground networks to "move" money across borders without ever moving money across borders.

Nigerian importers who pay for Chinese goods using informal RMB transfers undoubtedly contribute to unsettling US dominance in global finance—its dollar as a hegemonic currency, its financial institutions mediating international transactions, and its authority over worldwide payment infrastructures. Despite these activities, state-led schemes such as bilateral currency swaps to reduce dollar dependency and Central Bank Digital Currencies (CBDC)—state-issued, blockchain-enabled digitized tokens of fiat currency—take center stage. These everyday money users, however, equally challenge USD hegemony by promoting dedollarization or supporting RMB internationalization. In the strict sense, RMB internationalization is defined as RMB ownership outside of China, extending domestic uses to international situations (Lo 2013). This selective focus on official initiatives overlooks how Nigerian importers coordinate RMB payments to bypass the dollar in trade settlements or deploy unauthorized cryptocurrency to skirt US-led global financial regulations. Though informal and sometimes illicit, these complementary thoroughfares aid marginalized users in global financial peripheries.

This article analyzes ethnographic data from Nigerian importers hamstrung by the political economy of currency to show how ordinary money users participate in extraordinary monetary shifts toward dedollarization and RMB internationalization. Although formal sanctions often target informal transactions, I argue that these supposed rival strategies are less antagonistic than they appear. Participating in official and unofficial payment channels cultivates an indispensable multicurrency fluency, anticipating an era of multipolarity, where global power is distributed rather than concentrated in a few superpowers like the US and Western Europe (Ashford and Cooper 2023).

The uprising of periphery states with soft (exchange) currencies, such as the RMB and the naira, against core states with hard (reserve) currencies, like the USD and euro (Guyer 2012), must be located within broader "decentering" discussions on Africa-China relations. Decentering refers to how "Africa-China" serves as a construct to pivot away from the "West" as a historical axis of privileged "perspectives, pedagogies, and practices" (Nayak and Selbin 2010), thereby generating new understandings of the global order. Recent Africa-China studies have explored decentering projects that challenge Euro-American sites of knowledge production (Carrozza and Benabdallah 2022), upend conventional development and diplomacy protocols (Tang 2021), foreground histories of South-South solidarities (Monson 2013), and diversify the terms of cultural exchange (Yoon 2023). However, this picture remains incomplete without diagnosing how money is equally embroiled in decentering efforts.

This article couples anthropological ideas of money as a site of struggle with international political economy scholarship on USD hegemony and RMB internationalization to analyze how the dollar is decentered in cross-border payments between Nigeria and China. It argues that this decentering involves both state-led, officially sanctioned monetary policies and on-the-ground, often unauthorized financial transactions. While currency markets, monetary agendas, and trade policies are driven by incumbent governments, established financial institutions, and powerful multinationals, this paper shows how ordinary actors cannot be dismissed because they command minimal control over these financial processes. The groundswell of popular efforts to move money reveals the workarounds, alongside *workwithins* and *workbetweens*, paving the path for currency plurality. If workarounds mobilize informal strategies, workwithins exploit formal systems while workbetweens bridge formal and informal practices. This article contributes to the literature on how Africa-China decenters the West by examining how on-the-ground activities actualize a multipolar monetary system.

The article begins by outlining the study methods and the context for Nigerian importers of Chinese goods. It then examines the prevailing discourses on monetary hegemony relating to the USD and the RMB, emphasizing the role of everyday actors alongside policymakers. Next, a paired analysis of official bilateral naira-RMB swap agreements and informal naira-RMB payment transfers shows how the latter might initially appear antithetical to formal RMB internationalization but, in fact, foster RMB familiarity befitting a multipolar world. What follows is an evaluation of sanctioned CBDC initiatives and illicit cryptocurrency activities illustrating money users' transformative engagements with alternative digital currencies and complementary payment rails. The article concludes by discussing how Nigerians approach the payment problem, from above and below, stitching together the obstinate division between the official and the informal, as well as the ideological and pragmatic.

Nigerian importers of Chinese goods: methods and context

Mainland Lagos, a prime hub for imported Chinese goods, attracts buyers from neighboring West African nations. Key markets such as Trade Fair (selling auto parts, cosmetics, and household goods) and Alaba (featuring electronics and appliances), assemble a hodgepodge of manufacturers, distributors, wholesalers, and retailers in its labyrinthine plazas. The Nigerian entrepreneurs with whom I conducted ethnographic research and interviews between 2017–19 (forty in-person) and 2022–23 (thirty in-person and virtual) in Yiwu, China, and Lagos, Nigeria, respectively, operated in these two Lagos markets. In China, many exports originated from Yiwu, home to the world's largest small commodities market. Igbo Nigerians are overrepresented among African entrepreneurs in China (Haugen 2012; Lu 2022). Interlocutors were mostly men, of Igbo ethnicity, and aged 25–45. Select Nigerian news reports and research papers by various international organizations collected between 2018 and 2024 on USD, RMB, and naira supplement the analysis.

African importers of Chinese goods represent a robust field of study. Since the early 2000s, scholars have examined Nigerian and other African importers in the Chinese manufacturing hubs of Guangzhou and Yiwu. Scholars have highlighted the size and scale of their trading activities, which are dwarfed by the magnitude of global commerce commanded by Western multinational corporations. Labeled as "low-end globalization" (Mathews et al. 2017), subsequent investigations explored their entrepreneurial aspirations (Castillo 2020), transnational networks (Cissé 2013), and social-commercial arrangements (Haugen 2019). While these studies acknowledged the characteristic small amounts of capital and the use of informal payment channels, they likewise glossed over how money moved across borders or which currency pairs facilitated the transactions.

What exacerbated these oversights was the indiscriminate "African" label applied to the diverse entrepreneurs in China, which concealed critical national and regional monetary histories and currency genealogies (on this topic, see the edited issue by Krozewski and Nyamunda 2023). Studies downplayed the specific currency pairs used (e.g., naira-RMB or naira-USD) and their shifting rates and ratios, which are crucial to calculations in cross-border transactions. For instance, francophone entrepreneurs from Senegal and Mali share a common currency, the CFA franc, which is converted at an exchange rate fixed to the euro. On the other hand, anglophone entrepreneurs from Ghana or Nigeria transact in their respective sovereign currencies with values tethered to the dollar rather than the euro. These umbilical financial ties are often unmatched by their contemporary economic connections or geopolitical alliances, which, for Nigeria, favor China over the United States.

Smuggled into these transactions are Nigeria's notorious (pre)colonial currency histories (Uche 2002), banking systems entrenched in financial imperialism (Ekejiuba 1995), ethno-national monetary tensions (Owen 2009), and the most recent shocks of exchange rate unification, discussed in the opening vignette. For instance, historians of Nigeria have documented how merchants secured marginal gains through asymmetrical exchange across different scales of value and types of monies (Guyer 2004), and how elites strategized to preserve rank and status amid currency devaluation (Adebayo 2007). In Nigeria, currency volatility often overdetermines commercial, political, and social decisions and continues today to dictate the nexus of calculability.

By contrast, the scholarly corpus on African importers has assumed straightforward and steadfast infrastructures for moving money, informal or otherwise. Payments recurred as self-evident transactions, while money functioned without friction. Workarounds were common, as studies report that suppliers "receive money … through one of the many informal money transmission agencies set up by African migrants in Guangzhou" (Haugen 2019, 307), or state that "money is sent … via informal ways (mainly at airports through customs) back to China" (Cissé 2013, 25). Moreover, "unauthorized money exchange" (Lan 2015, 293), ubiquitous and conspicuous, appears as much a common "branch" of registered businesses owned by freight shippers and export agents as are "informal money changers" (Müller and Wehrhahn 2013, 91) a convenient mainstay of high-traffic hotel lobbies servicing foreign traders. Yet, *why* informal payment channels were needed in the first place, *how* informal routes are selected over or combined with official ones, and *what* these choices concede about the dominant currency of trade, or the peripheral status of African monies, remains unclear. Ignoring the kinds of currencies exchanged overlooks both historical and contemporary monetary dynamics. It also neglects how alternative currency pairs and complementary payment rails mushroom within a tumultuous yet fecund global financial landscape, shaped by USD hegemony but shifting under RMB internationalization, as discussed in the next section.

US monetary hegemony, RMB internationalization, and digital currencies

America's currency has enjoyed a singular, unchallenged monetary hegemony since displacing the British sterling following the 1944 Bretton Woods Agreement. The 1971 gold standard removal and subsequent neoliberal restructuring of global economies compounded dollar supremacy in trade and finance (Palley 2024). For the remainder of the twentieth century, the US dollar was indispensable for cross-border payments and private and public debts. USD dominance, however, is but one facet of US hegemony: an amalgam of various capabilities underpins its domination. Indeed, this amorphous figure accords with the "US Hegemony and Its Perils" report released in February 2023 by China's Ministry of Foreign Affairs. The report denounces America's hegemonic activities across the domains of politics, the military, economics, technology, and culture, contending that the dollar's "exorbitant privilege" relies on these strengths just as much as the currency reinforces them. Notably, America's dollar muscularity has rippled across Africa, a continent inaugurated as a theater of power contestation between the challenger, a China-led Global South, against the incumbent, a US-led Global North (Campbell 2008; Carmody and Owusu 2007).

China's meteoric economic and political ascendence in the twenty-first century has prompted scholars to contemplate a new paramount currency. Debates abound on the RMB's probability and timeline to become a serious contender for the apex position (Prasad 2017). Despite China's concerted internationalization efforts, skeptics paint the RMB as a benign threat that is distant from power parity with the dollar (Mallaby and Wethington 2012). Beijing's tight capital controls prioritize domestic social stability and economic growth ahead of currency convertibility (Lo 2013). Conversely, optimistic commentators suggest that RMB dominance is not only inevitable but impending (Subramanian 2011). China's regional authority and creditor position within the Belt and Road Initiative (BRI) and newly minted CBDC (Slawotsky 2020) are envisaged to deliver an outsized influence. Further support for RMB internationalization stems from China's recent successes in dedollarizing some of its overseas financing and trade settlements—two areas where it has achieved global prominence (Amighini and Garcia-Herrero 2023; Perez-Saiz and Zhang 2023). A third prognosis reconciles these divergent perspectives and indeterminant trajectories by designating China as a reformer, raising objections but ultimately reinforcing the status quo given China's overinvestment in US reserves (Helleiner and Momani 2014). Nonetheless, sweeping financial sanctions against Russia in 2022 revealed the international backlash against the dollar's weaponization (McDowell 2023) and reinvigorated discussions of monetary multiplicity to match geopolitical multipolarity.

The panoply of polarizing positions, their speculations and scenarios, often prioritize political and economic factors in RMB internationalization and dedollarization to the exclusion of money users. Yet, citizen uptake in countries constrained by precarious "soft currencies" (Guyer 2012) is instrumental in popularizing foreign money. For instance, Luzzi and Wilkis (2023) document how Argentinians habitually mobilized dollars alongside the Argentine peso for ordinary occasions: investments, savings, and purchases. The dollar both organized everyday realities and cemented currency hierarchies. Salas (2021, 51), writing on Cuba and the USD and Cuban peso, describes their uneven circulation and application as an "architecture of value based on two national currencies." Hierarchies were further differentiated materially in the Zimbabwean multi-currency era: the same unit value of cash was favored over its electronic form, and both types over bond notes (Vasantkumar 2023). Just as the dollar leads dual lives as a global currency *and* a local currency in these monetary peripheries (Luzzi and Wilkis 2023), economic tumult expands currency plurality beyond the USD to include the RMB and blockchain-enabled digital currencies.

Decentralized cryptocurrencies, such as Bitcoin, challenge the established international monetary system (Fantacci and Gobbi 2021), leading the decentering charge by sidestepping Western currencies, institutions, and payment networks (Economist 2024a). Going further, Birla (2023) proposes a radical metaphor, arguing that cryptocurrencies operate as a "short circuit" in global peripheries. A "short circuit" encompasses a double sense of a faster connection between two things and blowing up an existing system, thereby "equalizing power between the West and the Rest" (Birla 2023, 158). Centralized cryptocurrencies, such as CBDCs, share similar decentering goals in the Global South (IMF 2020), while also reducing pressures from decentralized cryptocurrencies and defending against mounting foreign fiat currency use (Ree 2023). Examining money users, then, spotlights their involvement in the ongoing social and political struggle over money's value (Ingham 2004), centering currency as a prime vehicle of contestation and complicity. Although RMB and digital currencies are incomparable in scale and scope, Nigerians regard both as provocations to global dollar dominance and recruit them to combat naira volatility.

Briefly tracing the recent trajectory of the imperiled naira is necessary before turning to the findings (Figure 1). Foremost, external shocks—such as the crude oil price crash in early 2020 due to the COVID-19 pandemic (Onu and Alake 2021)—exacerbated a two-decade slump in oil production, Nigeria's main export and hard currency source (Economist 2024b). The Central Bank of Nigeria (CBN) responded in April 2020 by devaluing the naira from NGN307 to NGN360 and rationing the dollar. Devaluation shielded the depletion of foreign reserves but drove up parallel rates to NGN460. Moreover, when US Federal Reserves signaled interest rate hikes in early 2022, foreign investors turned away from Nigeria toward safer US treasury bonds, hastening the naira's vertiginous decline: 72.3 percent from January 2022 to February 2024 (Usman and Tang 2024). Even before these indicators, the CBN had abandoned its fixed rate in May 2021, permitting the naira's upward creep. Rate unification at NGN770, implemented in June 2023, combatted the widening gap between official and parallel market rates, indefensibly incongruent with everyday reality. Interspersed with these monetary maneuvers was the ill-fated naira redesign policy announced in October 2022. Its condensed demonetization period for old notes overburdened forex demand as citizens sought to protect their assets (World Bank 2022). A second devaluation followed in February 2024, when the CBN changed official exchange rate calculations to attract foreign investments (Adeoye 2024). The fallout saw spiraling exchange rates: the naira plummeted to nearly NGN1800 against the dollar in

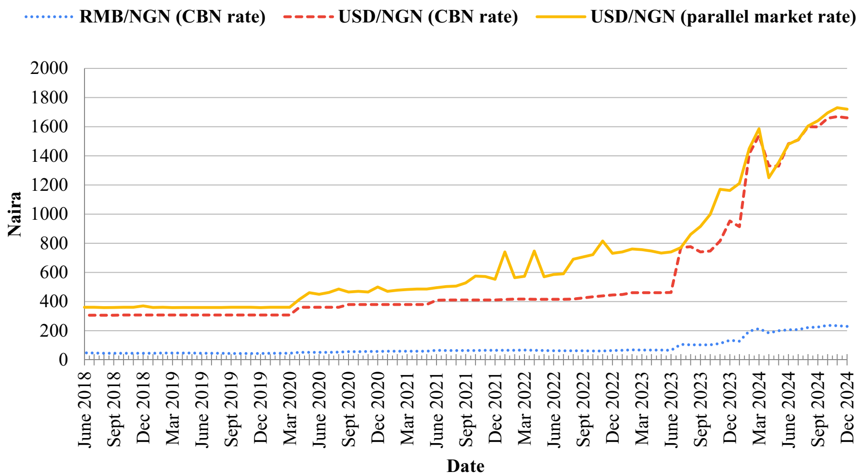

Figure 1. Exchange rates of RMB and USD against the naira (NGN), June 2018–December 2024. Source: Central Bank of Nigeria, local exchange rate sources.

December 2024. Within this economic climate, the following sections analyze how formal monetary policies *and* informal money strategies sought to pacify unyielding naira depreciation, circumvent contracting dollar access, and, in the process, bolster decentering efforts by fostering multicurrency fluency.

Challenging USD dominance in cross-border payments

China-Nigeria bilateral currency swap

Nigerian importers welcomed an alternative monetary horizon in the wake of a currency swap announced on April 27, 2018 (Wallace and Doya 2018). The swap entailed China's central bank selling USD2.4 billion (NGN720 billion and RMB15 billion in local currencies) at a fixed rate for three years to the CBN to support bilateral trade and reduce dollar demand. Agreements between Nigerian citizens and government decrees are uncommon; the swap marked a rare consensus. In theory, the swap empowered Nigerian importers to purchase RMB through authorized dealers or CBN auctions, bypassing the need to first convert naira into dollars.

Nigerian entrepreneurs in China celebrated the announcement, envisioning how a future without dollar intermediation could boost currency liquidity, consumer affordability, and profit margins. Following the announcement, Chigozie, a thirty-five-year-old Igbo man from Abia State, extolled the benefits of transacting in RMB rather than USD. "For us, it would be better to exchange naira directly with RMB; then 10,000,000 naira can buy one container. However, if I must exchange USD, I can only load half a container. For RMB, the rates may be 58 RMB to 1 naira." Given the enormity of Nigeria-China bilateral trade, a local newspaper declared, "There is practically no economic sense using dollars to transact business with China at more than NGN360 per USD1 instead of NGN56.42 to the yuan [RMB]" (Adigun 2018), referring to the parallel market rate of NGN360, rather than the CBN rate of NGN306.[3] Recognizing the stakes, then Nigerian Foreign Affairs Minister Geoffrey Onyeama reframed the celebrated agreement not as a "currency swap" but as "a recruitment of Nigeria into a partnership 'that would facilitate China's drive to internationalize its currency'" (Boyo 2018)—a statement that also presupposes willing citizen participation.

Currency swaps, rare before 2007, increased following the 2008 global financial crisis. The crisis, triggered by the US subprime mortgage meltdown, exposed Global South vulnerabilities to US financial shocks, prompting efforts to reduce reliance on US financial systems and mitigate dollar weaponization. Accordingly, between 2008 and 2020, China signed the highest number of swaps, peaking at thirty-six in 2018 (Hao, Han, and Li 2022). American politicians decried these arrangements as a "threat" to the US dollar regime (McDowell 2023). Chigozie alluded to this perceived "threat" and its likely repercussions when he replaced his initial enthusiasm with familiar skepticism. Dampened by the imagined reprisal of the American hegemon to the announced swap, he concluded: "It's probably not going to work; America won't let it happen."

Swaps represent a modest intervention but a vital step in disconnecting from a US-led global financial order that controls the three essential components of cross-border payments: USD as the medium of exchange, SWIFT as the communication platform that sends payment instructions, and CHIPS as the clearing network of correspondent banks that transfers money. Monetary decentering requires reduced dependence on all three components. SWIFT, founded in 1973, is a private corporation headquartered in Belgium that facilitates nearly all global transactions. While SWIFT includes dollar and nondollar transactions, half of all international flows are in USD (McDowell 2023). SWIFT, however, only communicates payment messages. Payments move from one account to another through correspondent banks, third-party intermediaries that debit senders and credit receivers (McDowell 2023). American banks play an outsized role, with 96 percent of all dollar payments processed through CHIPS. CHIPS, the Clearing House Interbank Payments System, is another private corporation owned and operated by an elite group of financial institutions, mostly US banks such as JP Morgan and Bank of America. The few foreign institutions within the CHIPS network must have US operations and thus are subject to US laws (McDowell 2023).

How official payments move from Nigeria to China relies on an interdependent payment currency and financial infrastructure that is particularly hostile to Nigerian importers. As Nigeria's largest source of imports, China is a prime destination for Nigerian outbound payments. Yet, these dollar-denominated payments are first routed through American correspondent banks. Consider the payment dynamics of the six-nation West African Monetary Zone (WAMZ) within the Economic Community of West African States (ECOWAS), of which Nigeria is a member.[4] In fact, ECOWAS-WAMZ can be used as a proxy for Nigeria, as the member boasting the largest economy.

Within ECOWAS-WAMZ, North America was the end destination for only 20 percent of USD-denominated commercial payments. Conversely, Asia-Pacific, with China as the largest recipient, received just under 40 percent of payments (Swift 2013). Nigeria's continued dollar dependence is at odds with its reliance on Chinese imports. Following previous trends, Chinese exports to Nigeria (USD19.8B) overshadowed Nigerian exports to China (USD1.67B) in 2022 (OEC 2024a), creating a trade deficit that ought to favor settlement in RMB.[5] Hence, Nigerian and Chinese officials are eager to open bilateral currency swap lines to correct this incongruity between commercial and financial flows.

Despite the economic soundness and initial fervor toward currency swaps, the highly anticipated swap fell short of a transformative protocol, presciently echoed by Chigozie's cynicism. Two years post-swap (from June 2018 to June 2020), only CNY1,746.40 million, or 11.6 percent of an earmarked RMB15 billion, was sold to facilitate payments (Adigun and Usim 2021). From its inception, journalists and analysts branded the swap too "small" (Moses-Ashike 2023) to accommodate the sizable bilateral trade: the swap amount would only fund 2.6 percent of Chinese imports to Nigeria (Iyatse 2022). Still, the severe underutilization contradicts the professed demand and benefit.

Although small-to-medium enterprises were purported to gain the most from RMB access, initial low awareness accounted for its early stumbles (Ifeakandu 2023). Some Nigerian importers blamed cronyism and corruption for their limited access to the RMB auctions, though none attempted to procure RMB through CBN exchange windows. Additionally, official swap lines were reportedly marred by opaque or complicated bureaucratic processes, causing delays (Daily Trust 2021). As a result, importers defaulted to habitual dollar transactions or extant informal RMB channels. Importation, however, involves more than payments. Budding entrepreneurs who rely on groupage —separate orders consolidated to fill a container—share a single Form M, which must report the total value in one currency. Using one's own Form M would incur additional charges. Likewise, purchases in RMB do not shield importers from dollar-denominated levies like shipping costs and insurance charges, exposing them to the rate fluctuations that a naira-RMB swap was designed to overcome. Finally, the Chinese government's foreign policy on bilateral swap lines appears undermined by its recent domestic policy of generous tax rebates incentivizing Chinese export manufacturers to invoice in dollars.

Undeterred by these setbacks, the swap agreement was renewed for another three years in April 2021 (Moses-Ashike 2023). As of June 2023, RMB9 billion, or 60 percent of the RMB15 million, have been sold (Oluwafemi 2023). Still, Nigerian importers' preference to pay in RMB and the year-on-year increase in Chinese imports sharply contrasts with the 60 percent utilization of the swap line over five years.

A prominent human rights lawyer, Femi Falana, accused the CBN of acquiescing to the IMF and World Bank and "[continuing] to promote the unwarranted dollarization of the Nigerian economy" (Oluwafemi 2023). Beyond this charge of collusion, any analysis of low swap utility must also consider the abundant naira-RMB channels operating before 2018. These channels have long addressed issues of access and cost in cross-border payments between Nigeria and China. A bustling corridor teeming with informal money movers may explain the slower uptake, rather than a blanket disregard for sanctioned bilateral trade settlement. Informal routes halt the anticipated deluge of official swap users despite dollar scarcity, trade volume, and the expressed advantages. The following section discusses how these informal arrangements may foster something closer to RMB *familiarization* (rather than RMB internationalization *per se*), emphasizing how organic popularity among Nigerian entrepreneurs bolsters RMB status, even if lagging official figures fail to reflect incipient monetary multipolarity.

Informal money transfers

In 2017, the RMB's official share of all African payments was a minuscule 0.1 percent (SWIFT 2017). Unaccounted for in the official data are the innumerable informal money transfers between Nigerian importers and their Chinese suppliers. A typical scenario involves a trader first transferring naira into an agent's Nigerian bank account. That agent then arranges a deposit of its RMB equivalent into the Chinese supplier's bank account. Agents interposed between customers can be Nigerian or Chinese on both sides.

These extensive capillary networks serve various people for a myriad of reasons. Foremost, (nonagricultural) informal employment captures 89 percent of the Nigerian population (ILO 2018), increasing the overall likelihood of informal money channel use. The sizable informal sector explains the high percentage of "unbanked" adult citizens (36 percent) (Ree 2023). Even for those who are formally employed, many operate unregistered side businesses. Other Nigerians may lack the surplus capital to cover exorbitant bank fees, as transactions to and from Africa incur some of the highest charges in the world (Ree 2023). Although most importers possessed bank accounts, many lost patience waiting to source dollars at official rates. Moreover, their needs often surpassed the perceived debilitating yearly limit of USD100,000–150,000 authorized for official business-related bank transfers. Workwithins to this obstacle include paying to access additional accounts to evade individual quotas.

Efforts to circumvent the USD conflict with its purported convenience in cross-border payments (McDowell 2023). The indisputable value of USD in global commerce is undercut when marred by onerous acquisition efforts and expensive transaction costs. When further marginalized by global financial centers and unfavorable exchange rates for imports, these factors provoke shifts in user preferences. Dense trade circuits between Nigeria and China enable entrepreneurs to coordinate easier, faster, and cheaper currency exchanges and payments among themselves, sometimes rendering official channels and hard currencies a last resort for moving money.

Incidentally, money only becomes visible when its typical course, informal or official, goes awry. Simon's recent payment conundrum exemplifies such detours. Simon, an Igbo man in his late twenties, was shipped abroad to China by his father, a well-regarded entrepreneur in Trade Fair. After eight consecutive years, Simon returned to Lagos in early 2023 to promote his new freight forwarding company, launched with a Chinese partner. In May 2023, Simon begrudgingly opened a domiciliary account because of growing difficulties associated with informal money transfers. His usual Nigerian agent in China refused to transfer the RMB equivalent of USD20,000 to his Chinese supplier, fearing repercussions for money laundering. “I sent seven million naira to his account, but he returned it. He ignored my messages. I was begging him to do the transfer; after many messages, he finally responded: “I do cosmetics, I don’t do RMB.”

Simon meditated on the aborted transaction:

> I think they [Chinese authorities] caught him. I asked many people if I could use their account; they all said “no.” If you have never made a big transaction, your account will be frozen. They did not want their accounts frozen, so I had to buy USD and transfer through the bank.

Compounding his payment woes, Simon was further blindsided when *his* bank blocked his domiciliary account after the USD20,000 payment. Like China, sizeable and unprecedented transfers in or out of Nigerian accounts also triggered triggered scrutiny. Simon’s fate was yoked to China as much as Nigeria, as both countries clamped down on illicit financial activities (Economist 2024c). The Financial Action Task Force (FATF), a G7 initiative against money laundering and terrorist financing, placed Nigeria on the “gray list” in February 2023. In Abuja, Nigeria’s capital, hastily organized high-level meetings and training sessions convened officials dedicated to the nation’s rehabilitation. Detrimental implications for economic fundamentals awaited inaction: IMF and World Bank sanctions, inbound investment cutbacks, supply chain payment delays, cross-border transactional fee increases, and sovereign credit rating downgrades (Guchu 2023).

The reprimand spawned piecemeal resolutions detailed in internal presentations aimed at averting further relegation to the FATF’s “blacklist.” In the aftermath of crackdowns in China and Nigeria, some seasoned exchangers shuttered their operations, like Simon’s once-thriving network. Still, unsated RMB demand beckoned new entrants eager to capitalize on continuing international payment bottlenecks. Instead of deterring informal transfers, the chokehold induced the opposite effect and attracted more people willing to endure the churn of currency exchange. These economic pressures would spawn sociological changes in Nigeria’s parallel money markets.

Igbos once regarded money exchange as the exclusive domain of Hausa men. More recently, some Igbos have parlayed their established market experience, concentrated presence in China, and filiation with the burgeoning population of Chinese wholesalers in Nigeria (Liu 2022) into nascent informal money transfer enterprises. Igbos either seized the exchanger role as opportunities arose, or they were graduates of the famed Igbo apprenticeship system (Agozino and Anyanike 2007). Trained individuals are “settled” by their mentors (*ogas*) with a stock of merchandise or a lump sum after five to seven years of service. No longer exclusive to goods, the apprenticeship program has extended to money exchange—a lucrative sector amid naira depreciation, dollar scarcity, and rising customs clearing costs. Some former apprentices congregate in Trade Fair’s auto parts market. Stationed in a congested passage below a plaza dense with Bureau de Change offices above, exchangers swarm keen passersby. Since most RMB payments are conducted via electronic transfers, RMB notes rarely change hands here compared to dollar notes. Dollars, however plentiful, circulated quickly: rate volatility discourages stockpiling and ensures liquidity.

In the short run, the informal money exchange market sustains a complementary channel that may compromise the robustness of newly established naira-RMB swap lines. Over the long run, however, this cat-and-mouse game also breeds widespread RMB familiarization, extending beyond importers and exchangers. Resonant with other dollar-dominated monetary imaginaries, such as Argentina, "ignoring the exchange rate ... would mean excluding oneself from public life" (Luzzi and Wilkis 2023, 21). In Nigeria, almost all citizens can recite the naira-USD exchange rate. More recently, naira-RMB exchange rates have started circulating as a new "public number" (Luzzi and Wilkis 2023, 107). Importers and exchangers competing for business generate publicity by periodically advertising favorable naira-RMB exchange rates in disappearing WhatsApp stories, attracting eager RMB buyers and soliciting willing RMB sellers. As Nigeria's inflationary pressures rise and the cost of living stretches the budgets of even middle-class professionals, some supplement their income by selling Chinese goods, seeking both merchandise and money agents through Instagram, Facebook, and WhatsApp. As the entire social network effectively becomes a money market, broadcasting parallel market RMB exchange rates exposes friends and family to a new kind of equivalence.

Familiarity with RMB rates stimulates a mental shift wherein Nigerians are no longer beholden to the naira's relative value against the USD as the prime determinant of national worth. If the dollar parity of the 1970s and early 1980s was a sign of "when Nigeria was Nigeria" (Guyer 2004, 85), then the hitherto unprecedented currency depreciation generates dissociative effects. As journalists noted, a breach of NGN1000/1 USD in October 2023 broke a "psychologically important threshold" (Olurounbi and Dontoh 2023). Nations with long histories of currency volatility generate formidable discourses around currency failure that penetrate middle-class consciousness (Muir 2015), bundling economic shock with political discontent. A tumbling naira sacrifices purchasing power and distorts sense of self, as currency and country contort together. By contrast, a naira-RMB pairing offered a more auspicious identification with exchange rates that hovered around 100 RMB to 1 naira in October 2023. Though since October 2023, the naira has depreciated against both the dollar and RMB (Figure 1). Nonetheless, which currency becomes the comparator offers a potent reminder of "how quantities have, are, or index qualities" and that different quantities are qualitatively different (Ross, Schmidt, and Koskinen 2020, 3).

Tracking the social life of numbers reveals a populace imprinted by multiple currency relationships rather than a sole hegemonic dollar. The RMB is localized and popularized as multicurrency fluency radiates outward, from esoteric knowledge among exchangers to generalized knowledge among citizens. In turn, ordinary citizens can articulate their vociferous opposition to a wayward currency through a stalwart RMB. Here, monetary decentering is actualized before it is captured by official records. Moreover, within the fold of plural currencies, we must also include digital currencies, both centralized and decentralized versions. The following section discusses how the Nigerian state and citizens use these digital currencies to dedollarize in ambitious and ambiguous ways.

New payment infrastructures

Central Bank Digital Currencies (CBDCs)

Discontented money users in economic peripheries must also be situated in an unprecedented context of national currency digitization. Nigeria and China are the only populous nations that have introduced national CBDCs or e-currencies: the eNaira, launched on October 25, 2021, and the eCNY, on January 4, 2022. These blockchain-enabled but centrally controlled currencies are heralded by global finance regulators like the IMF as "the future of money" (Georgieva 2022). Two Global South behemoths, with critical political and economic ties and significant regional and global influence, wield a historic opportunity to establish new payment infrastructures and operational standards that could benefit citizens across the Global South.

Improved cross-border payment interoperability, for example, is a CBDC feature that could lower global peer-to-peer transaction costs. A peer-to-peer CBDC system "flattens the multi-layered correspondent banking structure, shortens the payment chains, reduces transaction time, and facilitates increased competition among service providers" (IMF 2020). One outcome includes reduced remittance fees (Ree 2023). For Nigeria, remittance generated USD24 billion in 2019 (5.3 percent of the GDP) and constitutes the second largest dollar revenue source after oil sales. Remitters, however, incur heavy fees through conventional MoneyGram or Western Union channels (7.8–8.7 percent of the total amount) (Ree 2023).

CBDCs also represent another vehicle for RMB internationalization. Future currency swaps can leverage CBDCs to broker agreements, ease disbursement, and streamline access. China has already flexed its leadership role within BRICS, a consortium of major emerging markets—Brazil, Russia, India, China, and South Africa—by spearheading a BRICS currency (Gift 2024). With its BRI partners, China has piloted mBridge, a collaboration among the central banks of Hong Kong, the UAE, China, and Thailand that uses CBDCs to expedite cross-border payments and foreign exchange operation (BIS 2024). Designed to replace or run alongside SWIFT, these efforts bolster China's monetary leadership while laying the groundwork for new global payment systems.

China's CBDC initiatives are well positioned to uproot entrenched financial regimes and reshape international digital payment norms. As the only member with real-life digital currency capabilities, China's first-mover strategy grants its central bank—one of six that steers the IMF—palpable authority as the IMF "serve[s] as a transmission line of learning and best practice across all 190 members" (Georgieva 2022). Additionally, Chinese technology could underpin the essential digital infrastructure for future CBDCs. Chinese companies have reportedly filed 130 patent applications related to the entire "supply chain" of digital currencies: issuance, circulation, and application (Jahn and Muller 2020). These fragmentary economic experimentations collectively signify benchmark experiences establishing the rules, norms, and standards for how national e-currencies circulate and birth new worldly visions for payment settlement.

Turning to Nigeria, the CBN launched the eNaira with three goals: to ease remittance, increase financial inclusion, and reduce informality (Ree 2023). It was also intended to counteract the substitution pressures of citizens saving in decentralized cryptocurrencies and foreign fiat currencies (Ree 2023). The eNaira was further promoted as an alternative amid the chaos of the naira currency redesign policy and the CBN's push for a cashless society (Monye 2024). However, in advancing these new national imaginaries, past currency memories are excavated and can derail widespread acceptance.

Despite nationwide campaigns in Nigeria, the overall eNaira uptake after a year was abysmal. The number of eNaira wallets downloaded was equivalent to approximately 0.8 percent of active bank accounts (Ree 2023). Discouragingly, 98.5 percent of downloaded wallets had never been used (Ree 2023). Of the active wallets, the CBN reported that only 10 percent of transactions were peer to peer; the rest between persons and banks (Ifeanyi 2022), contrary to its envisioned utility. Justifications for its failure were abundant. Foremost, its centralized design, which permitted government visibility over every transaction, was interpreted as an "authoritarian exercise" over cryptocurrency's promise as a "democratic technology" (Rawat 2023).

Indeed, a general climate of mistrust might explain the eNaira's stunted rollout. Nigeria's recent spate of monetary mismanagement includes the aborted currency redesign (2022–23), abrupt exchange rate unification (2023), and whiplash unbanning and banning of cryptocurrency (2024). The administration's serial blunders undermined trust in the naira *as* money, as an object of state authority, alongside its other role as a subject of market forces (Ingham 2004).

Furthermore, aggregated figures reporting low uptake may conceal important geographical variances in eNaira uptake. Olumide Adesina (2022), a Nigerian journalist, searched "eNaira" in Google Trends and discovered concentrated eNaira interest in a handful of northern states. Though interest and uptake are nonequivalent, these results hint at possible financial fissures in a nation riven with old ethnic-political wounds among Hausa-Fulani in the north, Igbo in the southeast, and Yoruba in the southwest. "Ironically," as the journalist noted, "Lagos, Nigeria's major economic hub, misses out of the top 25 on eNaira interest" (Adesina 2022). Lagos, a regional commercial powerhouse and the epicenter of Nigeria's FinTech innovations, appears to have snubbed the eNaira.

I conducted a similar Google Trends search using the term "Bitcoin"—the most recognized form of decentralized cryptocurrency—to distinguish between a general disinterest in digital currencies and a specific indifference toward the eNaira. The results showed a reverse trend: Bitcoin interest spiked in the southern states, with Igbo strongholds like Anambra State topping the list. Igbo entrepreneurs in Trade Fair, like Paul, rejected the eNaira, citing long-standing distrust of the Nigerian government since the Nigeria-Biafra Civil War (1967–70). Monetary statecraft helped Nigeria win the war against the successionist state of

Biafra, a nation with Igbo in the majority. Nigeria's wartime administration executed hasty currency issuance and reactionary currency demonetization; both maneuvers depleted Biafra's coffers in the struggle for independence (Chukwu 2010; Madiebo 1980). After Biafra's surrender, Nigeria's postwar compensation policies, designed to reconcile the nation, deepened divisions. Each Biafran was paid 20 Nigerian pounds (£) regardless of prior wealth, obliterating an entire region's fortune (Owen 2009) with generational consequences.

For Igbo entrepreneurs, historic currency betrayal justified their suspicion of state monetary policies. Hence, Paul's decision to close his domiciliary account and refuse to open an eNaira wallet takes on ideological, political, and ethical valence. His actions defy a national polity accused of marginalizing Igbos since the civil war's end. Citizen resistance to state-issued digital currency ranges from outright national indifference to targeted refusal in the ambit of familiar North-South strife. Here, two divergent interest groups emerged in response to naira innovation within a context of continued dollar dominance and emergent RMB internationalization: one actively searching for eNaira and another for Bitcoin. The following section discusses how this latter group, which includes Nigerian importers, marries commercial and financial interests through decentralized cryptocurrencies.

Cryptocurrencies

Nigeria is the largest cryptocurrency market in sub-Saharan Africa. Worth nearly USD60 billion, Nigeria's market is triple the value of South Africa's market, a distant second at just over USD20 billion (Adeyanju 2023).[6] Captured within this sizable difference is Nigeria's marginalization or exclusion from conventional payment methods, such as debit and credit card use overseas or international bank transfers, as illustrated by Simon's experience. Cryptocurrency, created using encrypted algorithms and transacted across networked computers, was originally designed to operate outside the reach of central authorities. Motivated by this rationale, Nigerians have expanded and regularized cryptocurrency use for multiple financial purposes, including savings, speculation, currency exchange, arbitrage, remittance, and importantly, payment.

For payment, cryptocurrency can alleviate foreign currency scarcity. Often, too little rather than too much money is the "real threat … [to] the exchange function" (Guyer 2012, 2220). Cryptocurrencies, like informal naira-RMB transfers, supply citizens in global peripheries with much-needed liquidity. Central to this functionality is a class of cryptocurrencies known as "stablecoins." Stablecoins, such as USDT, peg their value to hegemonic currencies like the USD and are backed by an equivalent dollar reserve.[7] In sub-Saharan Africa, the total stablecoin value is consistently double the value of other asset types, including Bitcoin, Ethereum, and altcoins (Chainalysis 2023). Unsurprisingly, Nigerian interest in stablecoins spikes when the naira's value tumbles (Chainalysis 2023). Citizens approach these digital coins as safe-haven assets amid monetary turmoil, signaling that stability rather than speculation drives regional cryptocurrency adoption.

Even cryptocurrency bans or restrictions in Nigeria and China fail to stifle domestic or international use. In February 2021, the Nigerian government prohibited banks from transacting with cryptocurrency exchange platforms, barring customers from directly buying or selling coins. However, the ban did not (and could not) prevent peer-to-peer transactions. The number of new users, dollar volume, and transactions on various platforms increased *after* the ban (Ohuocha and George 2021). Whereas peer-to-peer eNaira transactions remain low, as previously discussed, Nigeria now leads in global peer-to-peer cryptocurrency activities (Chainalysis 2023).

Within this restrictive environment, I was curious about a boastful Twitter (now X) post that appeared online in June 2023. Femi, a Nigerian entrepreneur, touted how he settled a USD100,000 balance with his Chinese supplier using USDT. Femi's public confession contradicted the typical murmurs and hearsay surrounding unofficial payments. A quick message led to an interview. Femi, a former banker, could not secure the entire balance using Form M despite his professional connections. Before rate unification, importers could use Form M to purchase dollars at the CBN rate of NGN460/USD1—nearly half the black-market rate of NGN750/USD1.

> I spent one month trying to acquire this money at the official rate, but it was incompatible with reality. The bank could not fulfill my request. At best, they give USD10,000. You only get so much money in three months. It is painful and inefficient. You must source the rest of the money from the black market.

A patchwork of bank and parallel market sourced dollars inflated exchange costs on top of 0.1–0.2 percent bank fees, which added another USD200–300 to a USD100,000 transaction. Furthermore, on the parallel market, the quantity may surpass the exchangers' available liquidity, even if they pool their capital to complete the transaction. Femi looked to cryptocurrency instead.

Femi searched Binance, a peer-to-peer exchange, for a USDT seller.[8] He first checked ratings and reviews before he requested a seller's bank account number and transferred 75 million naira. Binance escrowed USDT100,000 until payment was confirmed. The next step involved selecting a sending network. Choosing TRON, the transaction took under twenty minutes and cost just one dollar in "gas" fees.[9] Due to China's restrictions on cryptocurrency, Femi's Chinese supplier first provided the USDT account of an offshore broker in a permissive but undisclosed European country. The offshore broker, Femi emphasized, must retain a Chinese bank account to complete a transfer, revealing the workbetweens that link together illegal and official channels. Although USDT sidestepped international payment rails and its regulatory oversight, transactions nonetheless depended on regular domestic infrastructures to facilitate irregular cross-border transactions. Likewise, USD's stability buttressed USDT's value, reinscribing dollar dominance. Still, dedollarization here is nominal but potent, with cryptocurrency undermining its closely monitored payment infrastructures.

Because Nigeria criminalized cryptocurrency, its usage for settling payments is under-reported. Nevertheless, Femi lauded cryptocurrency's practical utility: "The highest adoption globally is in Nigeria, where we use it for payments. We must stop thinking in terms of speculation." Femi's exhortation challenges established "Western" views on cryptocurrency as "speculation" (Faria 2022) and its users as "gamblers" (Lee 2022). With access to real-time data, David, an American employee of a well-known international cryptocurrency platform, affirmed that "trade outweighs speculation in volume" within traffic-dense corridors such as China and Nigeria.

Beyond its pragmatic use, cryptocurrency resonated in ideological registers. Michael, a Nigerian advocate, also decried the unwarranted hysteria of speculation: "China and Nigeria are engaging in de-dollarization, but they cannot mention this because of politics, and in part, because it is illegal. I don't want to get all conspiratorial," he paused, "but erasing the use cases of cryptocurrency is the hegemony of the dollar. It preserves the preeminent position of the dollar." Against this hegemony, Lagos's robust FinTech sector supports dedollarization initiatives, leveraging cryptocurrency for global payments, remittances, and pan-African trade. Ikenna, a cryptocurrency payment developer and owner, echoed Michael and likened cryptocurrency-based payment rails to *Wise*, an international, peer-to-peer, hawala-like money transfer platform: "People don't care how money moves; they don't need to know the backend." He explained:

> Cryptocurrency can improve payment rails between Africa and China, and within Africa, with the African Continental Free Trade Agreement in place. If I send payment from Lagos to Mali today, that money first goes to France and then to the francophone country. That is just the residual colonial system. Even if it is politically independent, it is still economically tethered.

That Ikenna should align cryptocurrency's benefits with deafening demands across West Africa for monetary sovereignty to match political sovereignty achieved in the mid-twentieth century is no coincidence. Popular discord has levied opprobrium against France's anachronistic monetary authority over West Africa's CFA franc (Pigeaud and Sylla 2020). Calls to dismantle odious (neo) colonial apparatuses that continue to structure the African financial landscape (Appel 2023) coalesce with promising practical solutions built on cryptocurrency. While these instances of defiance are pregnant with ideological vigor, necessary payments animate its pragmatic urgency.

Since Nigerian importers navigate a global financial order that is punitive to the Global South and Africa in particular, their use of multiple currencies and channels must then be appraised as actualized decentering efforts beset with contradictions and complexities. For instance, surging cryptocurrency use in Nigeria combats cash shortages, inflation, and naira depreciation but reinscribes dollar supremacy. In addition, Nigeria's high cryptocurrency adoption but abysmal eNaira uptake shows citizens embracing technology while evading legibility, thereby subverting national and multinational goals of "banking the unbanked" (Roitman 2023). Still, if Global South CBDC initiatives succeed in facilitating mass cross-border payments and in-bound remittances, they could attract users among Nigerian importers primed for multicurrency and multichannel transactions.

Furthermore, if payments are paramount, then the upswing in naira-RMB swap utilization after the first two years revealed a more forceful response to the worrying gulf between official and parallel market naira-USD rates after April 2020 (Figure 1). When once-predictable rates teeter into unprecedented territories, desperation patches together new configurations for moving money. Oscillations between informal and official currencies and channels reflect adaptations and concessions to a mercurial economic milieu. Finally, even though everyday actors neither drive dedollarization nor RMB internationalization, their participation (or abstention) nonetheless weaves together the indissoluble but protean connections between on-the-ground transactions, state-level initiatives, and global financial regulations.

Conclusion

This article contributes to the literature on Africa-China decentering by examining how Nigerian importers and exchangers actualize a multipolar monetary system. It outlines the complementary channels that emerge alongside official initiatives to challenge US hegemony—its currency, institutions, and authority—and promote RMB internationalization. I argue against a shortsighted view of makeshift infrastructures as impediments to official bilateral flows or sanctioned CBDC use. Instead, I propose that a decentering perspective should corral together official and informal modes of moving money across borders. Rival payment routes are not unresolvable antagonisms that must be reconciled or subordinated but meaningful undertakings with momentous impact.

Chiefly, everyday monetary practices cultivate fluency with multiple currencies and platforms, allowing Global South money users to prevail against unfavorable international payment conditions. Through tireless workarounds, workwithins, and workbetweens, Nigerian entrepreneurs entwine and unwind the global financial system as needed. As a result, they prioritize certain bilateral channels and popularize specific digital currencies, manifesting what globalization trumpets to all but denies to some.

Ultimately, a multicurrency fluency is nurtured in the moribund "soft" currency milieu of the Global South and its dynamic legacy of plural and ranked monies. These felicitous conditions pave a fertile rather than futile path toward a multipolar global order. Moreover, Global South states do not solely bear the ideological banner of decentering, leaving citizens to be viewed as passive bystanders with only pragmatic motivations. No such obstinate division is defensible. Vocal citizens also advocate for monetary sovereignty, rail against US interventionism, and dodge repressive payment infrastructures—all in search of less restrictive and more viable financial futures.

Acknowledgments. An initial draft of this article was presented as a keynote at the 2023 Richard Frucht Memorial Lecture Series for the Anthropology Graduate Conference at the University of Alberta. Additional drafts were presented at the African Studies Association 2023 annual meeting and at the Max Planck Institute for Social Anthropology, Department of Economic Experimentation, during a Research Visit in April 2024. I am grateful for the generous feedback from my copanelists, audience members, former colleagues, and the three anonymous peer reviewers. Additionally, I thank Chiedo Collins Chizitere and Stella Oyekanmi for supporting my fieldwork in Lagos in their capacity as research assistants, and my colleague, Constantin Colonescu, for his assistance with the exchange rate data. This research was supported by a SSHRC Doctoral Fellowship, Wenner-Gren Dissertation Grant, Max Planck Institute Postdoctoral Fellowship, and a MacEwan University Internal Grant.

Author Biographies. **Jing Jing Liu** is an assistant professor of anthropology in the Department of Anthropology, Economics, and Political Science at MacEwan University, Alberta, Canada. Liu's research examines Africa-China relations, the political economy of new money forms in Nigeria, and the migration of Nigerian youths to Global South and Global North destinations.

Notes

1. Before the unification, the exchange rate hovered near NGN800/USD1 on the parallel market and fixed around NGN443/USD1 on the official market.
2. In accordance with my interlocutors and their preferred nomenclature, this article uses RMB rather than CNY or yuan to discuss China's currency.
3. The cost of purchasing one RMB versus one dollar reflects differing exchange rate dynamics. Between June 2018 and December 2024, goods might cost less in RMB than USD if USD was obtained at parallel market rates, though the two official rates are closely correlated. While parallel market rates exist for RMB, they are far less volatile than the USD due to the RMB's tight regulation.
4. Within ECOWAS-WAMZ, USD accounted for over 80 percent of all commercial transactions (SWIFT 2017).
5. A trade deficit with China is not equivalent to a trade deficit with all of Nigeria's trading partners, nor does it translate to an overall trade imbalance. Nigeria is trending toward overall trade balance as it narrows its deficit (Afreximbank 2024).
6. Based on Chainalysis data from July 2022 to June 2023.
7. USDT, the currency code for Tether, was initially conceived as a "fiat token." However, Tether has since altered its reserve structure. Underpinned by a portfolio of assets other than cash, Tether is now considered an "off-chain collateralized [stablecoin]" (Fantacci and Gobbi 2021).
8. In February 2024, Nigeria blocked access to cryptocurrency exchanges such as Binance and Coinbase to curb currency speculation amid depreciation woes.
9. Compared to USD20 to use the Ethereum network.

References

Adebayo, Akanmu G. 2007. "Currency Devaluation and Rank: The Yoruba and Akan Experiences." *African Studies Review* 50 (2): 87–109.

Adeoye, Aanu. 2024. "Nigeria Devalues the Naira in Bid to Attract Foreign Investors." *Financial Times*, February 1. https://www.ft.com/content/1729aa7c-3f92-4ff7-9310-c79b5e5cdb84.

Adesina, Olumide. 2022. "eNaira Is Popular in Borno, Sokoto, Gombe, but Lagos Misses out of Top 20 Spot." *Nairametrics.* January 3. https://nairametrics.com/2022/01/03/enaira-is-popular-in-borno-sokoto-gombe-but-lagos-misses-out-of-top-20-spot/.

Adeyanju, Oluwaseun. 2023. "Nigeria Received Nearly $60 Billion in Crypto Value in a Year." *Mariblock.* September 19. https://www.mariblock.com/nigeria-receives-nearly-60-billion-in-crypto-value-in-a-year/.

Adigun, Omodele. 2018. "Nigeria-China Currency Swap, CBN's Last Ditch Effort to Salvage Naira." *African Center for Economic Transformation* July 9. http://acetforafrica.org/highlights/nigeria-china-currency-swap-cbns-last-ditch-effort-to-salvage-naira/.

Adigun, Omodele and Uche Usim. 2021. "Nigeria-China N720bn Currency Swap Collapses." *The Sun.* October 18. https://thesun.ng/nigeria-china-n720bn-currency-swap-collapses/

Afreximbank. 2024. "Nigeria Country Brief." *African Export-Import Bank.* https://media.afreximbank.com/afrexim/Nigeria-Country-Brief-2024.pdf.

Agozino, Biko, and Ike Anyanike. 2007. "IMU AHIA: Traditional Igbo Business School and Global Commerce Culture." *Dialectical Anthropology* 31 (1–3): 233–52.

Amighini, Alessia, and Alicia Garcia-Herrero. 2023. "Third Time Lucky? China's Push to Internationalise the Renminbi." *Bruegel.* November 2. https://www.bruegel.org/policy-brief/third-time-lucky-chinas-push-internationalise-renminbi.

Appel, Hannah. 2023. "Pan African Capital? Banks, Currencies, and Imperial Power." *Journal of Cultural Economy* 16 (3): 392–408.

Ashford, Emma and Evan Cooper. 2023. "Yes, the World Is Multipolar." *Foreign Policy.* October 5. https://foreignpolicy.com/2023/10/05/usa-china-multipolar-bipolar-unipolar/.

Birla, Ritu. 2023. "Short Circuits and Seizures." *Public Culture* 35 (2): 157–76.

BIS, 2024. "Project mBridge Reached Minimum Viable Product Stage." *Bank for International Settlements.* November 11. https://www.bis.org/about/bisih/topics/cbdc/mcbdc_bridge.htm

Boyo, Henry. 2018. "Naira/Yuan Swap: A Significant Chinese Footprint on Nigeria's Economy." *Vanguard News.* May 7. https://www.vanguardngr.com/2018/05/naira-yuan-swap-significant-chinese-footprint-nigerias-economy/.

Campbell, Horace. 2008. "China in Africa: Challenging US Global Hegemony." *Third World Quarterly* 29 (1): 89–105.

Carmody, Pádraig R., and Francis Y. Owusu. 2007. "Competing Hegemons? Chinese versus American Geo-Economic Strategies in Africa." *Political Geography* 26 (5): 504–24.

Carrozza, Ilaria, and Lina Benabdallah. 2022. "South–South Knowledge Production and Hegemony: Searching for Africa in Chinese Theories of IR." *International Studies Review* 24 (1): 1–21.

Castillo, Roberto. 2020. *African Transnational Mobility in China: Africans on the Move*. New York: Routledge.

Chainalysis. 2023. "The 2023 Geography of Cryptocurrency Report." *Chainalysis.* October. https://go.chainalysis.com/geography-of-cryptocurrency-2023.html

Chukwu, Dan O. 2010. "Trends and Changes in the Nigerian Currency System, Colonial Period – 2008." *Studies of Tribes and Tribals* 8 (2): 87–101.

Cissé, Daouda. 2013. "South-South Migration and Sino-African Small Traders: A Comparative Study of Chinese in Senegal and Africans in China." *African Review of Economics and Finance* 5 (1): 17–28.

Daily Trust. 2021. "Nigeria-China N720bn Currency Swap Deal on Slow Pace 3 Years After." *Daily Trust.* April 25. https://dailytrust.com/nigeria-china-n720bn-currency-swap-deal-on-slow-pace-3-years-after/.

Economist. 2024a. "The Fracturing of Global Finance." *The Economist.* May 11.

——— 2024b. "The Collapsing Naira: Nary a Dollar." *The Economist.* March 9.

——— 2024c. "How Chinese Networks Clean Dirty Money on a Vast Scale." *The Economist.* April 27.

Ekejiuba, Felicia. 1995. "Currency Instability and Social Payments among the Igbo of Eastern Nigeria, 1890–1990." In *Money Matters: Instability, Values and Social Payments in the Modern History of West African Communities*, edited by Jane I. Guyer, 133–61. London: James Currey.

Fantacci, Luca, and Lucio Gobbi. 2021. "Stablecoins, Central Bank Digital Currencies and US Dollar Hegemony: The Geopolitical Stake of Innovations in Money and Payments." *Accounting, Economics, and Law: A Convivium*. 14 (2): 173–200. https://doi.org/10.1515/ael-2020-0053

Faria, Inês. 2022. "When Tales of Money Fail: The Importance of Price, Trust, and Sociality for Cryptocurrency Users." *Journal of Cultural Economy* 15 (1): 81–92.

Georgieva, Kristalina. 2022. "The Future of Money: Gearing up for Central Bank Digital Currency." *International Monetary Fund.* February 9. https://www.imf.org/en/News/Articles/2022/02/09/sp020922-the-future-of-money-gearing-up-for-central-bank-digital-currency.

Gift, Makgamatha Mpho. 2024. 'The BRICS Currency Conundrum: Weighing the Pros and Cons of a Unified Monetary System'. *Africa Policy Research Initiative.* October 28. https://afripoli.org/the-brics-currency-conundrum-weighing-the-pros-and-cons-of-a-unified-monetary-system.

Guchu, Brenda. 2023. "The FATF Grey List: An Explainer." *PwC Kenya.* November 17. https://www.pwc.com/ke/en/blog/fatf-grey-list.html.

Guyer, Jane. 2004. *Marginal Gains: Monetary Transactions in Atlantic Africa*. Chicago: University of Chicago Press.

———. 2012. "Soft Currencies, Cash Economies, New Monies: Past and Present." *Proceedings of the National Academy of Sciences* 109 (7): 2214–21.

Hao, Kaixuan, Liyan Han, and (Tony) Wei Li. 2022. "The Impact of China's Currency Swap Lines on Bilateral Trade." *International Review of Economics & Finance* 81 (September): 173–83.

Haugen, Heidi Østbø. 2012. "Nigerians in China: A Second State of Immobility." *International Migration* 50 (2): 65–80.

———. 2019. "China–Africa Exports: Governance through Mobility and Sojourning." *Journal of Contemporary Asia* 49 (2): 294–312.

Helleiner, Eric and Bessma Momani. 2014. "The Limits of China's Monetary Diplomacy." In *The Great Wall of Money*, edited by Eric Helleiner and Jonathan Kirshner, 45–70. Ithaca, NY: Cornell University Press.

Ifeakandu, Amaka. 2023. "Many Nigerian Businessmen Not Aware of Naira-Yuan Currency Swap Deal —Falana." *Blueprint Newspapers Limited.* August 20. https://blueprint.ng/many-nigerian-businessmen-not-aware-of-naira-yuan-currency-swap-deal-falana/.

Ifeanyi, Ubah Jeremiah. 2022. "CBN's eNaira Records Less than 10 Percent P2P Transactions after 3 Months." *Nairametrics.* January 26. https://nairametrics.com/2022/01/26/cbns-enaira-records-less-than-10-p2p-transactions-after-3months/.

ILO. 2018. "Women and Men in the Informal Economy: A Statistical Picture. Third Edition." *International Labor Organization.* https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_626831.pdf.

IMF. 2020. "Digital Money Across Borders: Macro-Financial Implications." *International Monetary Fund.* September 22. https://www.imf.org/en/Publications/Policy-Papers/Issues/2020/10/17/Digital-Money-Across-Borders-Macro-Financial-Implications-49823.

Ingham, Geoffrey K. 2004. *The Nature of Money*. Cambridge: Polity.

Iyatse, Geoff. 2022. "Four Years after Yuan Swap Deal, Forex Pressure Mounts." *The Guardian.* December 13. https://guardian.ng/news/four-years-after-yuan-swap-deal-forex-pressure-mounts/.

Jahn, Thaddeus, and Peter Muller. 2020. "Central Bank Digital Currencies: The State of Play in China and Asia-Pacific." *Polis180 Blog.* December 10. https://polis180.org/polisblog/2020/12/10/central-bank-digital-currencies-the-state-of-play-in-china-and-asia-pacific/.

Krozewski, Gerold, and Tinashe Nyamunda. 2023. "Money *for* Africa and Money *in* Africa: Colonial Currencies and the Making of Economies and States, 1860s–1960s." *African Studies Review* 66 (3): 587–94.

Lan, Shanshan. 2015. "State Regulation of Undocumented African Migrants in China: A Multi-Scalar Analysis." *Journal of Asian and African Studies* 50 (3): 289–304.

Lee, Seung Cheol. 2022. "Magical Capitalism, Gambler Subjects: South Korea's Bitcoin Investment Frenzy." *Cultural Studies* 36 (1): 96–119.

Liu, Shaonan. 2022. *The History of Chinese Presence in Nigeria (1950s–2010s): Factories, Commodities, and Entrepreneurs*. New York: Routledge.

Lo, Chi. 2013. *The Renminbi Rises: Myths, Hypes and Realities of RMB Internationalisation and Reforms in the Post-Crisis World*. New York: Palgrave Macmillan US.

Lu, Vivian Chenxue. 2022. "Mobilizing Home: Diasporic Agitations and the Global Remakings of Postwar Southeastern Nigeria." *African Studies Review* 65 (1): 118–42.

Luzzi, Mariana and Ariel Wilkis. 2023. *The Dollar: How the US Dollar Became a Popular Currency in Argentina*. Translated by Wendy Gosselin. Albuquerque: University of New Mexico Press.

Madiebo, Alexander A. 1980. *The Nigerian Revolution and the Biafran War*. Enugu, Nigeria: Fourth Dimension Publishers.

Mallaby, Sebastian, and Olin Wethington. 2012. "The Future of the Yuan: China's Struggle to Internationalize Its Currency." *Foreign Affairs* 91 (1): 135–46.

Mathews, Gordon, Linessa Dan Lin, and Yang Yang. 2017. *The World in Guangzhou: Africans and Other Foreigners in South China's Global Marketplace*. Hong Kong: Hong Kong University Press.

McDowell, Daniel. 2023. *Bucking the Buck: US Financial Sanctions and the International Backlash against the Dollar*. New York: Oxford University Press.
Ministry of Foreign Affairs of the People's Republic of China, 2023. "US Hegemony and Its Perils." *Ministry of Foreign Affairs of the People's Republic of China.* February 20. https://www.mfa.gov.cn/mfa_eng/wjdt_665385/2649_665393/202302/t20230220_11027664.html
Monson, Jamie. 2013. "Remembering Work on the Tazara Railway in Africa and China, 1965–2011: When 'New Men' Grow Old." *African Studies Review* 56 (1): 45–64.
Monye, Ebele. 2024. "Why Nigeria's Controversial Naira Redesign Policy Hasn't Met Its Objectives." *Carnegie Endowment for International Peace.* January 18. https://carnegieendowment.org/research/2024/01/why-nigerias-controversial-naira-redesign-policy-hasnt-met-its-objectives?lang=en.
Moses-Ashike, Hope. 2023. "Nigeria-China Currency Swap Fails to Stabilise Naira 5 Years After." *Businessday NG.* April 12. https://businessday.ng/business-economy/article/nigeria-china-currency-swap-fails-to-stabilise-naira-5-years-after/.
Muir, Sarah. 2015. "The Currency of Failure: Money and Middle-Class Critique in Post-Crisis Buenos Aires." *Cultural Anthropology* 30 (2): 310–35.
Müller, Angelo, and Rainer Wehrhahn. 2013. "Transnational Business Networks of African Intermediaries in China: Practices of Networking and the Role of Experiential Knowledge." *DIE ERDE – Journal of the Geographical Society of Berlin* 144 (1): 82–97.
Nayak, Meghana, and Eric Selbin. 2010. *Decentering International Relations*. London: Zed Books.
OEC. 2024a. "China/Nigeria Bilateral Trade." *The Observatory of Economic Complexity.* https://oec.world/en/profile/bilateral-country/chn/partner/nga
——— 2024b. "Nigeria." *The Observatory of Economic Complexity.* https://oec.world/en/profile/country/nga&
Ohuocha, Chijioke, and Libby George. 2021. "Crypto Trading Thrives in Nigeria Despite Official Disapproval." *Reuters.* October 12. https://www.reuters.com/business/crypto-trading-thrives-nigeria-despite-official-disapproval-2021-10-12/.
Olurounbi, Ruth and Ekow Dontoh. 2023. "Naira Street Value's Plunge to 1,000/$1 Vexes Nigerian Lawmakers." *Bloomberg.* September 26. https://www.bloomberg.com/news/articles/2023-09-26/naira-weakens-as-nigerian-lawmakers-vet-new-central-bank-boss.
Oluwafemi, Ayodele. 2023. "CBN Replies Falana, Says Nigeria's Currency Swap Deal with China Still Valid." *The Cable Nigeria.* August 28. https://www.thecable.ng/cbn-replies-falana-says-nigerias-currency-swap-deal-with-china-still-valid/.
Omobola, Dickson. 2023. "Nigeria, China's Second-Largest Trade Partner in Africa, Says Consul-General." *Vanguard News.* November 6. https://www.vanguardngr.com/2023/11/nigeria-chinas-second-largest-trade-partner-in-africa-says-consul-general/.
Onu, Emele, and Tope Alake. 2021. "Nigeria Devalues Naira on Migration to Single Exchange Rate." *Bloomberg.* May 25. https://www.bloomberg.com/news/articles/2021-05-25/nigeria-devalues-naira-on-migration-to-single-exchange-rate.
Owen, Olly. 2009. "Biafran Pound Notes." *Africa: Journal of the International African Institute* 79 (4): 570–594.
Palley, Thomas. 2024. "Theorizing Dollar Hegemony: The Political Economic Foundations of Exorbitant Privilege." In *Dollar Hegemony: Past, Present, and Future*, edited by Thomas Palley, Esteban Pérez Caldentey, and Matías Vernengo, 20–56. Northampton, MA: Edward Elgar.
Perez-Saiz, Hector, and Longmei Zhang. 2023. "Renminbi Usage in Cross-Border Payments: Regional Patterns and the Role of Swaps Lines and Offshore Clearing Banks." *International Monetary Fund.* https://www.imf.org/en/Publications/WP/Issues/2023/03/31/Renminbi-Usage-in-Cross-Border-Payments-Regional-Patterns-and-the-Role-of-Swaps-Lines-and-531684.
Pigeaud, Fanny, and Ndongo Samba Sylla. 2020. *Africa's Last Colonial Currency: The CFA Franc Story*. London: Pluto Press.
Prasad, Eswar. 2017. *Gaining Currency: The Rise of the Renminbi*. New York: Oxford University Press.
Rawat, Pratham. 2023. "Nigeria's eNaira CBDC: What Went Wrong?" *Cornell SC Johnson College of Business.* April 28. https://business.cornell.edu/hub/2023/04/28/nigerias-enaira-cbdc-what-went-wrong/.

Ree, Jookyung. 2023. "Nigeria's eNaira, One Year After." *International Monetary Fund.* https://www.imf.org/en/Publications/WP/Issues/2023/05/16/Nigerias-eNaira-One-Year-After-533487.

Roitman, Janet. 2023. "Platform Economies: Beyond the North-South Divide." *Finance and Society* 9 (1): 1–13.

Ross, Sandy, Mario Schmidt, and Ville Koskinen. 2020. "Introduction: The Quality of Quantity: Monetary Amounts and Their Materialities." In *Money Counts*, edited by Mario Schmidt and Sandy Ross, 1–16. New York: Berghahn Books.

Salas, Daniel. 2021. "Practices of Double Currency: Value and Politics in Rural Cuba." *Dialectical Anthropology* 45 (1): 47–63.

Slawotsky, Joel. 2020. "US Financial Hegemony: The Digital Yuan and Risks of Dollar De-Weaponization." *Fordham International Law Journal* 44 (1): 39–100.

Subramanian, Arvind. 2011. "Renminbi Rules: The Conditional Imminence of the Reserve Currency Transition." *Peterson Institute for International Economics*, Working Paper No. 11-14, Available at SSRN: https://ssrn.com/abstract=1928138.

SWIFT. 2013. "Africa Payments: Insights into African Transaction Flows." *SWIFT.* https://www.swift.com/swift_resource/14411

———. 2017. "African Payments: Insights into African Transaction Flows." *SWIFT.* https://www.swift.com/swift_resource/170536

Tang, Xiaoyang. 2021. *Coevolutionary Pragmatism: Approaches and Impacts of China-Africa Economic Cooperation*. Cambridge: Cambridge University Press.

Uche, Chibuike. 2002. "Money Matters in a War Economy: The Biafran Experience." *Nationalism and Ethnic Politics* 8 (1): 29–42.

Usman, Zainab, and Xiaoyang Tang. 2024. "How Is China's Economic Transition Affecting Its Relations with Africa?" *Carnegie Endowment for International Peace*, May 30. https://carnegieendowment.org/research/2024/05/how-is-chinas-economic-transition-affecting-its-relations-with-africa?lang=en.

Vasantkumar, Chris. 2023. "'Every Dollar Has Its Own Problem': Discrepant Dollars and the Social Topography of Fungibility in Multi-Currency Era Zimbabwe (2009–2019)." *Journal of Cultural Economy* 16 (6): 829–851.

Wallace, Paul and David Malingha Doya. 2018. "Nigeria, China Sign $2.4 Billion Currency-Swap to Lift Trade." *Bloomberg*, May 3. https://www.bloomberg.com/news/articles/2018-05-03/nigeria-china-sign-2-4-billion-currency-swap-to-boost-trade.

World Bank. 2022. "Nigeria's Choice: Nigeria Development Update." *World Bank.* https://documents1.worldbank.org/curated/en/099305012142215802/pdf/P179906004b7c80340a74d0ee7862953b8f.pdf.

Yoon, Duncan M. 2023. *China in Twentieth- and Twenty-First-Century African Literature*. Cambridge: Cambridge University Press.

Cite this article: Liu, J. J. 2025. "Decentering the Dollar in Africa-China Trade: How Nigerian Entrepreneurs Navigate Currency Swaps and Digital Currencies in an Era of USD Hegemony and RMB Internationalization." *African Studies Review* **68** (1): 7–30. https://doi.org/10.1017/asr.2025.20