



## THE COLONIALISTS & INDIGENOUS EXCHANGE CURRENCY: TRACING THE GENESIS OF SOCIOECONOMIC WOES IN POSTCOLONIAL NIGERIA

 Okafor Samuel, O.<sup>1</sup>

<sup>1</sup>Department of Sociology & Anthropology University of Nigeria,  
Nsukka, Nigeria  
Email: [samuelokey200@gmail.com](mailto:samuelokey200@gmail.com)



### ABSTRACT

#### Article History

Received: 14 January 2019

Revised: 26 February 2019

Accepted: 2 April 2019

Published: 22 May 2019

#### Keywords

Barter trade

Coin currency

Colonialism

African indigenous currency

Sustainable development

Nigerian economy

Neocolonialism

Fiscal policy

Precolonial currencies.

#### JEL Classification:

A14, D46, D91, H39, Z19

*The problem of colonialism continues to emerge in all aspects of the lives of the colonized and even raise some unseen complications following, the trajectory of the covertly structured system by the colonial agents. Among the African nations colonized, their economy, political system and the host of other institutions are still in the trajectory of the colonially structured concepts and precepts. In Nigeria in particular, almost every facet of Nigerian life as a nation still suffer the injuries of colonialism covertly buried at the root of all public institutions. Although the problem of colonialism and the impacts are many in different aspects of the Nigerian national life, this study was focused on the undermining of the African traditional exchange system in what later became Nigeria and how such manipulation offset the present currency abuse among Nigerians and the problem of underdevelopment. The study utilized the available Historical, Anthropological and Archaeological information to explain the present economic and general system disorder in Nigeria. Nonetheless, the paper established knowledge-based policy strategies towards downgrading unfavourable bilateral relationship sustaining the vestiges of colonial venoms, which have subverted developmental efforts in Nigeria and other colonized nations.*

### 1. INTRODUCTION

The economic exchange among human groups across the globe is the function of the necessities of the insatiability of human wants, subjecting man to numerous forms of exchanges and trades. These exchanges and trades across the history are the factors, which inform the adoption of money of different kinds as a means of exchange, store of values and medium of deferred payment (Allian and Alchian, 1994; Odior and Banuso, 2012; Achor and Robert, 2013).

Over the centuries, money has evolved as a means to minimize the friction of transaction costs that are involved in mediating exchange. For example, conducting an economic transaction in barter economies involved high transaction costs as considerable time and effort were required in finding a suitable partner (Odior and Banuso, 2012). Beyond resolving problems of a barter system, another aspect in the evolution of money was the need for fungibility and divisibility (Ajayi and Ojo, 2006). Meanwhile, money has appeared in different forms, kinds and types among different people and generations across the globe for example, money as a medium of exchange has appeared as copper wire, cowry shells, iron money, cloth money, salt money and more recently, coin currency, paper currency, checks and other payment systems (Kirk-Greene, 1960; Neumark, 1977; Achor and Robert, 2013). Among the forms of money that have been in use and are still in use, coin currency remains an exception in terms of the way it is viewed and the policies behind its introduction in the economies of different societies and generations.

Among Nigerians, coin currency was connected to the British colonialism in West Africa, which demonetized other currencies that were in use before her domination of the region (Whistle, in Chukwu (2010); Ozoemena (2005)). The introduction of British shillings and pence, which was the faithful child of colonialism and economic imperialism, was the platform on which the Nigerian coin currencies (Naira and Kobo) appeared, which only existed in Nigerian payment system but was not physically appreciated (Loynes, 1962; Ikuseedun, 2006). Throughout the colonialists' currency politics in Nigeria, the coin currency was not properly accepted by the indigenes while, every indigenous currency before the colonialists' intrusion, was eliminated from the economic system. This situation, caused exchange chaos across the regions of the British protectorates.

The foundation of currency laid by the colonialists' agents continued into the post-independence currency policies in Nigeria, which more or less carried the anti-people oriented monetary policy into the new era of economic exchange in the country. Although the sociological majority were indifferent in the issue of acceptance of currency policies in Nigeria, the political class continued to see it as achievement- making monetary policies that has no significance to the economic realities of the nation.

In many countries of the world, coin currency among other currencies are valued making it, a component of the currency policies and in the long run, balancing the flow and circulation of currency in the system. Instances can be found from the works of other scholars across the globe such as in Ghana (Dzokoto *et al.*, 2011) Canada (Vroom, 1957) Japan (Kikuno, 1993) and France (Nicolas *et al.*, 2004). Although there is some level of acceptability of coin currency among many nations, scholars continue to research on the issue of coin currency acceptance and rejection by the public based on the prevailing perception in a particular setting. In line with this focus, many of the authors discovered that the perception about coin currency is highly connected to certain factors such as design and the image on them (Kikuno, 1993) the values of the coin itself compared to other currencies (Dzokoto *et al.*, 2011) the ease and possibility of carrying the money (coin) from one place to another and its security (Vroom, 1957) and, the nature of the economy of the society in question, in accommodating and keeping to the value of the currency irrespective of the existence of other higher currency notes within the economy (Nicolas *et al.*, 2004). More importantly, the relationship between the developed and the developing nations via the foundation of colonialism and neocolonialism played and still plays a role in the attitude towards coin currency in the colonized and developing nations. In the quest to answer the question of the impact of colonialism and neocolonialism on the value attached to the local currencies (taking the coin as the lowest value), this paper utilized the historical, Anthropological and Archeological evidences to trace the origin and the implication of the public hostility to coin currency and its subsequent economic impact on Nigerian post-colonial development agenda.

### *1.1. Research Questions*

The study is focused to answer the following questions

- What is the prevailing logic behind economic and exchange currency among the indigenous people of Nigeria before the colonial contact?
- What is the prevailing mode of exchange system among the indigenous people of Nigeria before the colonial contact?
- What is the impact of colonial interference with the indigenous exchange system?

### *1.2. In Line with the Research Questions, the Paper Is Focused to Explain the Following Propositions*

- The introduction of the colonialist's exchange/currency system resulted to the lack of respect and appreciation of legal tender in colonial and post-colonial Nigeria
- The colonialists' introduced currency and exchange system led a foundation of undermining of human resources and productive essence

- The colonialists' introduced currency and exchange system led a foundation of dependency by Nigerian economy on the European and American economies
- The introduction of the colonialist's currency and exchange system created the attitude of self-hatred towards indigenous products and services among the colonized

## 2. METHODOLOGY

The study adopted content analysis design focusing, on the historical, anthropological and archeological evidences about indigenous currency/exchange system and colonialism. Cause-effect analysis of phenomenon was adopted to answer the research questions and to explain the propositions of the paper. The study relied on majorly secondary data such as the relevant literatures, historical account and other published and unpublished official documents on colonialism and indigenous exchange system.

### 2.1. Barter Trade and Money in Human Existence

#### 2.1.1. The Prevailing Logic behind Exchange and Currency Material in Human Society

Trade by barter is a form of exchange in which goods are exchanged for goods making it imperative, that exchange will only take place when the commodities to be exchanged had been accepted by the individuals involved (Hauston, 1972). In defining barter trade and money side by side, R.C. Temple cited in Kirk-Greene (1960) was of the view that barter is the exchange of one article for another" adding that currency implies exchange through mediums. In essence, the purpose for currency in any economy (whether developed or developing) is to facilitate transactions, and by extension serve as a store of value. It normally consists of coins and banknotes (Ikuseedun, 2006).

Money performs a number of roles in economic activities: it is a unit of account, store of value, medium of exchange and means of deferred payment (Achor and Robert, 2013). Over the centuries, money has evolved as a means to minimize the friction of transaction costs that are involved in mediation (Odior and Banuso, 2012) conducting economic transaction in barter economies involved high transaction costs as considerable time and effort was required in finding suitable partner. Beyond resolving problems of barter system, another aspect in the evolution of money, was the need for fungibility and divisibility (Ajayi and Ojo, 2006).

The advent of coins and notes (money) made the process of economic transactions less costly by allowing people specialize in production based on their strengths and by enabling the monetary authorities to mint coins in convenient denominations, thereby creating divisibility (Baddeley, 2004; Ajayi and Ojo, 2006). Due to the necessity of money to the economic activities of every society, all societies across the history have used one form of trade currency or another, which was acceptable to the society in particular, and perhaps other societies that may have accepted such object for economic exchange. For example, during the contact era between Nigeria and Europeans the traditional currencies such as copper wire, iron money and manilla were all used for economic exchange before the introduction of cowry shells from Indian ocean (Basten, 1938; Kirk-Greene, 1960; Aghalino and Eyinla, 2008).

The evolution of money was the refinement of the concept behind exchange of articles (Barter trade), while money itself has passed tremendous changes across human generation to the present. Presently, there has been policy drift towards electronic money and even Bitcoin (BIS, 2001; Achor and Robert, 2013).

According to European Central Bank (1998) Electronic money is broadly defined as an electronic store of value on a technical device that may be widely used for making payments to undertakings other than the issues without necessarily involving bank accounts in the transactions, but acting as prepaid bearer instrument.

Since the history of man, exchange as the base of economic communication has been a common phenomenon across human societies but with some degree of differences based on the history and other socio-economic factors which surround the group in question. These socio-economic factors surrounding the acceptance of exchange materials and media of exchange act as the logic behind the values attached to the materials among the people by

implication, when this logic behind the acceptance in principle and practice of the available medium of exchange is affected by external influence, it automatically alters the existing understanding and value attachment.

## *2.2. Pre-Colonial Indigenous Currencies in Nigeria*

### *2.2.1. The Prevailing Mode of Economic Exchange before Colonial Contact in Nigeria*

Eurocentric writers and commentators on West African economic history in general and Nigeria in particular assumed that the people in this region failed to develop a monetary system that could facilitate trade (Aghalino and Eyinla, 2008). It was claimed that trade was conducted essentially by barter. Even those that conceded that there were some modicums of currencies, saw them as articles of trade because they were purported to lack the major features of modern money. Consequently, it was stated that a capital market did not evolve. It must be said that for the Nigerian case, the above contentiousness is either over simplification of a very complex issue, or at best a facet displays of the arrogance of ignorance (Hopkins, 1966; Ofonagoro, 1979).

According to some Anthropological and archaeological evidences, there were different types of trade currencies in Nigeria in the pre-colonial period. These included, salt and cloth money, metal currencies such as copper and iron rods, manila, and the cowry shell. The dynamism and vitality of the pre-colonial economy necessitated the introduction of other currencies which included, Spanish dollar, the Ackies, Gold and the Maria Theresa Dollar (Kirk-Greene, 1960; Hopkins, 1966). Going by the anthropological evidences across Nigeria, among all the currencies used in pre-colonial Nigeria, Cowry shell appeared to have received the greatest acceptability and widest spread. The cowry cypraeamoneta and CypraeaAnnulus were given different names used by the various ethnic groups in Nigeria for it Johnson (1970). According to empirical investigation by Johnson (1970); Hopkins (1966) and Kirk-Greene (1960) the introduction of the cowry into the Nigeria and the outside world, both Cypraeamoneta and the cypraea Annulus came from Indian Ocean species, the former from the Maldives Islands and the latter from the East African Coasts and Islands, especially Zanzibar. Cowry shells reached West Africa by over-land routes across the Sahara. With the development of European trade with both India and West Africa in the 17<sup>th</sup> and 18<sup>th</sup> centuries, cowries were shipped from India to Europe and from there to the Slave Coast (Hopkins, 1966).

The extensive use of cowry in internal trade, its prominent uses in the over sea exchange after the decline of slave trade and, its usage as part payment for palm oil made its commercial relevance to be felt across many parts of Nigeria up to the 19<sup>th</sup> century (Jones, 1977). In view of the available Anthropological evidences and Archeological excavations, cowry shells were in use across different parts of Nigeria such as Yoruba region (about 17<sup>th</sup> century), Hausa land (about 18<sup>th</sup> century) and in the southern Nigeria before the advent of the Portuguese (Johnson, 1970; Jones, 1977). The excavation in OrileKeesi in 2005 (published in 2012) revealed that beyond trading, cowry shells in the pre-colonial Yoruba were used for other purposes such as symbolic messages, object of divination, object of medicine and object of decoration of musical instrument and other ornamental works (Odunkaku, 2012). However, other trade currencies in the pre-colonial era such as Manilla, copper rods, iron money and wires were dominant in areas such as in the Niger Delta and Old Calabar, Oil Rivers, Igbo land, Ibibio and the Annang. According to Ofonagoro (1979); Basten (1938) and Ogunremi (1982) there were five varieties of manilla which were contextually named according to the groups and their usages. Among these varieties are; Arna-OgonoIgbiki (dominantly in New Calabar), Afori or wa-A- Honomanilla (used more particularly at bonny, Opobo and Akwete), Asa and Oboneo, as well as the AwoNavoManilla used mostly at new Calabar and Okirika Copper rods and wires were found to have been used in Borno and also was found to be indigenous among the Igbo (Lathan, 1961; Shand, 1970; Hodvkin, 1975). Iron money was found around the Benue valley. Among the two ethnic groups in the Benue it was found to have been used as trade currency. These ethnic groups are Egede who refer to it as Okobo and Ybeje and, the Tiv land where it was known as Umumu; also, in Bauchi, the Iron money was used and was called Kata (Dorward, 1976).

Other forms of commodity currencies that were available in the pre-colonial era included the salt and cloth money ackies, Maria Theresa dollar and Spanish dollar. Salt and cloth money were widely used as legal tenders in such places as Kanem Borno (Cloth money also known as Dandi) Bill and Tiv (also known as Ikudu or Tugudu) (Cohen, 1974; Dorward, 1976).

In Nigeria, salt was used predominantly as currency in the Niger Delta area and in most parts of Igbo land (Isichei, 1982). The dynamic nature of pre-colonial economy invariably led to the modification of existing currencies and/ or introduction of other forms such as Ackies mostly used in Lagos before 1800, Maria Theresa Dollar which was popular around 1870 in Northern Nigeria (Falola, 1984). The structure of economic exchange in Nigeria before colonial contacts was dependent on the traditional economy of the small scale societies and the generally accepted monetary elements. These monetary elements were also directly related to the value of the economic goods available in the system.

### *2.3. Colonialism and Currency Politics in Nigeria*

#### *2.3.1. The Impact of the Colonial Interference with the Indigenous Exchange System*

When the British imperialists infiltrated into the present day Nigeria, there was a deliberate attempt to demonetize the existing trade currencies in order to facilitate their exploitation of the people (Aghalino and Eyinla, 2008). Early in the days of imperialism, economic policies, particularly in the field of banking and currency were crafted for the benefit of European imperial adventure in Nigeria. Among the results of British adventurism in Nigeria was the successful undermining of the indigenous exchange system and the de-monetization of the traditional currencies in the 19<sup>th</sup> century. In their place was introduced the British monetary system consisting of the coins and notes (Chukwu, 2010). These forms of money thus became a common denominator for economic exchange in colonial Nigeria. So many factors have been advanced as the reasons for the introduction of British currency in her West African colonies such as in Nigeria. Such factors included political, economic and religious reasons (Fry, 1976). When British colonialist stepped into west African region, the economic exchange which mainly brought them in contact with the region, was somehow difficult to carry out due to the nature of the existing trade currencies and their own concept of money. Politically, it was difficult for the British colonialist to maintain their administration of the Local people via the ad hoc trained staffs and the Local Chiefs and Leaders. This was originally as a result of lack of proper mode of payment which was necessary to entice the staffs to execute which ever assignment that was expected of them (Mc Phee (1971), Orji (1987), Birthwistle (1913) in Chukwu (2010)).

In British West Africa (comprising the Gold Coast, Sierra Leone, the Gambia and Nigeria) the first set of British currency, consisting of special West African Silver, was in the denominations of two-shilling florin (2s), one shilling (1s) and six pence (6d). There were also Nigerian Nicked Bronze coins of the values of three pence (3d), one penny (1/10d) (Mc Phee, 1971; Anyanwu, 2008). The penny popularly referred to as *eminiorafupeni* in parts of Nigeria, was conveniently used for small commercial transactions among the low income earners especially in the rural communities (Anyanwu, 2008). The introduction of this set of coins in West Africa followed the colonial ordinance of 1880 which made it the legal tender, and which authorized the bank of England to issue and manage them for the sub region (Adeyemi, 2006).

At the inception of the colonial rule in Nigeria, the coins were reportedly rejected in various communities by Nigerians. This practice was well pronounced in some areas such as Opobo, new calabar, Okirika, Akwete, Asa and Ohambele, where Manilla currency had previously held sway (Kirk-Greene, 1960). It has been pointed out that the alleged rejection or limited circulation of the coin among the local Nigerian people might have stemmed from either primordial social reasons or economic factors. For instance, in Northern Nigeria, the English coins were initially rejected on ground that they did not contain the design of Mohammed, the founder of Islamic faith which was believed to have dominated the Northern Nigeria. In some other parts of the country, especially in the south where

the local currencies had for years dominated economic relations among the local people, it was felt that the new currency would impede the process of trading hence its rejection by the people (Kirk-Greene, 1960; Chukwu, 2010).

In the face of continuous rejection of the British coin currency due to religious, economic and security reasons by the local consumers the colonial government (represented by Lord Lugard) initiated certain strategies via decree, such as boring a hole on the middle of certain categories of the coins (1d, ½ d, and 1/10d), the stamp of an English inscription on the face of shilling, and Arabic inscription on the obverse of the shilling possibly, to impress the Muslim community and the Christian community (Anyanwu, 2008). In addition to those measures, the colonial government took other steps to ensure the successful introduction and popularization of the new currency. Such measures included the enactment of currency laws and the arrest and prosecution of persons alleged to have rejected the coins by colonial government (Birthwistle, 1913).

With time, the new currency began to be accepted rather grudgingly by the people for commercial transactions, especially with the continued demonetization of the local currencies. From 1888-1910, the British Colony (Nigeria) has recorded a large quantity of British currency in circulation in the following order: 1886-1890 (£24, 426), 1891-1895 (£116, 323), 1896-1900 (£257,090); 1901-1905 (£262,786); 1906-1910 (£666, 190). This sustained growth in the quantity of money supplied was, in response to the growing political and commercial activities in the region (Fry, 1976; Chukwu, 2010) (Mockler, 1910 cited in).

Meanwhile, as the supply and utilization of most of the currencies were virtually for the British colonial administrators and their collaborators, the Local citizens due to higher level of poverty, still glanced to the Local Currencies and the coins of lower denominations for their commercial transactions (Fry, 1976). Apart from the penny (1d) and the tenth of the penny piece (1/10d) introduced in 1908, on June 26 1913, a set of new coins in the denominations of 2 shilling, 1 shilling, 6 Pence and 3 Pence were made legal tender for the Nigerian economy (Mc Phee, 1971). Between 1915 and 1916, the colonial authorities authorized the introduction and circulation of the first currency notes of £1, 10 shillings and 2 shillings. In 1919, the West African colonies and protectorate, issued for the first time, the £ 5 note (Kirk-Greene, 1960; Loynes, 1962).

As Loynes (1962); Chukwu (2000) and Kirk-Greene (1960) observed, due to the increased political activities and the production of groundnut and other agricultural products in the British West African colonies around 1940/50, The West African Currency Board (W.ACB) further issued notes of various denominations to the British West African colonies. The notes included 10 shilling and 20 shilling denominations.

Meanwhile, apart from the fact that the locals received British money with misgivings as can be seen for instance, from the residents of Yola who were reported to have said that {the} coin is not looked upon as a currency but as an article of trade. The Local Trader does not think of a bull being worth ten shillings but that ten shillings cost a bull... "It is not stock that is cheap, but cash dear" (Kirk-Greene, 1960). Overtime, the various denominations of the currency were to receive some bashing from the colonial officials in Nigeria. This was captured in the Governor Hugh Clifford's address to the Nigerian Legislative council in 1920, where he was quoted as saying that the currency was "a flimsy paper note of low denominational values and are form of currencies that are utterly unsuitable, alike to the damp climatic conditions of the forest districts and the habits of the bulk of the population" (Kirk-Greene, 1960). Though the forceful strategies helped the colonialists to impose the alien currency on the masses, the complication of proper acceptance of the monetary elements continued to play on the schema of the local consumers. This of course advanced to the level of creating a distance between the value of the goods and money equation even after the colonialists left the country.

#### *2.4. Colonial Structures and the Genesis of Hostility towards Coin Currency and Economic Failure in Nigeria*

##### *2.4.1. The Introduction of the Colonialist's Exchange/Currency System Resulted to the Lack of Respect and Appreciation of Legal Tender in Colonial and Post-Colonial Nigeria*

Colonialism was such a huge phenomenon to have affected every facet of the African (Nigeria in particular) socioeconomic setting (Okafor, 2017a). While some scholars may restrict the effect of colonialism to Religion, others restricted it to the political setting while others, restricted it to some other areas as the interests varies. Nevertheless, colonialism left behind a huge impact and self-replicating impacts on almost every area of the lives of the colonized (King, 2013; Gagliardone, 2014; Le Pere, 2015). The issue of public rejection and abuse of the coin and other currencies either by proxy or explicitly in their actions and reactions towards them, is one of the evidences of the micro impact of the colonial control and domination of the economy in the era of colonialism. The economic systems of the pre-colonial Africans were as superior as the economy of other groups across the globe for time essence and really solve the needs of the inhabitants then (Rodney, 1972; Acholonu *et al.*, 2009). Even though there are concept from the colonialists which seemed to be appalling then in terms of convenience and time saving, there are other aspects of engagements which created checks and balances for time utilization. The African small scale economies were functional enough to have sustained themselves, only to receive relevant changes with time and necessity-induced changes in consensus. In any case, introducing changes in what happened to be the original economy or exchange system of the indigenous people of Africa before colonialism was not supposed to be forceful or deception as the colonialists did. Due to lack of trust and the subsequent introduction of corruption by the colonialists, the indigenous people of Africa (Nigeria in particular) lost hope in the economy and saw it as mere fictitious system which has more of political fantasies than real life experience.

After the colonialists abolished the indigenous trade system and condemned the existing exchange materials, the colonized in the first place started seeing the article of trade as a mere configuration which any one can set up for himself and by implication, does not demand for absolute recognition by everyone. In essence, the arbitrary condemnation of the indigenous currency and introduction of the colonialists' currency in the first place made the indigenous people see the currency as not worth of the values which they attached to it in their original economic system and by implication is simply seen as option and a thing of necessity. For instance, while the colonial agents were using force to impose the use of the new currency on the masses, the indigenous people of Nigeria were still recognizing the old indigenous money in different parts of the nation. This was usually done in the secrete among the traders who relied on the old indigenous currency and even prefer trade by batter in the face of British introduced currency, which were placed above the poor indigenous people and their resources (Kirk-Greene, 1960; Mc Phee, 1971; Chukwu, 2005).

The indifference attitude to the colonialist's introduced currency and new value system was transferred to the post-colonial era and made money relevant only in terms of their purchasing values and not because of its relevance in terms of the identity of the nation so that people can comfortably write on the money, spread it as a mere paper in the public occasion and even reject publicly the lower currency (the coins) without regarding it as a legal tender.

The indirect domination of the colonial economy and public hostility towards coin currency revealed the contradiction of the colonialist position which they always take to subvert the extent of challenges they created to the colonized. This position they take indeed is the roundabout argument which they make about civilization and the "Africa of antiquity". To justify the subjugation of the Africans by the colonialists, the colonialists claimed to have come on a mission of civilizing the Africans during the colonial era. The fact of the colonialists' mission surfaces every now and then especially in the current scholarship when every single factor in the socio political and economic challenges point the scholars towards the unseen foundation of failure built by the colonialists in their various former domains. The foundation of failure, which the colonists set up that subsumed the economy of African nations especially Nigeria, is the fact that they created the inner hatred towards the indigenous products in all areas, beginning from the elimination of the indigenous exchange system and currency. They re-introduced the

things they have contra banded to the people in an inverse manner for the indigenous people to follow them in blindness to their own detriment (Okafor, 2017h).

The material existence of things in a more structural functionalists' view is as good as the existence of nature anywhere in the planet earth making it more or less, a duty to any foreigner to the culture of any group to appreciate, learn and understand their value attachment to phenomenon. In any case, every culture and social system is unique in itself and at the same time enjoys the same value any other culture or system enjoys elsewhere in their domain by the owners of such culture or system. Only experience and necessity led to changes that are meaningful to the people in question hence, any forceful changes are bound to bring chaos as it is in post-colonial Nigeria economy.

#### *2.4.2. The Colonialists' Introduced Currency and Exchange System Led a Foundation of Undermining of Human Resources and Productive Essence*

As the colonialists ventured into the indigenous exchange system, they reduced the human resources to almost nothing in the eyes of the indigenous people as they made the people to understand that it is not the contribution of the worker that move the economy rather, the currency and sit of authority. As the indigenous people work tirelessly to produce the wealth carried home by the colonialists, they were made to believe that whatever they produced contributed less or nothing without the sanction of the colonialists and access to the colonialists hurdled currency. This was exhibited in the nature of the African nations' economies which witnessed the introduction of the colonialists' currency and exchange system (Dike, 1956; Cooper, 2002). The colonialists' introduced currencies came with such a magnitude both in the British attached value and in political force that it outpaced the indigenous currency and distance the people from the value of their products. Of course, the British agents made useless of the hard work of the indigenous people by reducing them to their lowest fraction such that you will work for days, months, even years only for you to come and receive a meager payment because of the introduced exchange system (Rodney, 1972). In the same manner, it was difficult for the indigenous people to enjoy the new currency in terms of using it for the foreign materials from the colonialists. In the post-colonial era, this resulted to the culture of pursuing bigger currencies (by their puppets they left in power- *the political class*) instead of the value for human resources which is more or less the key driver of the economy. In the post-colonial era, the culture of increasing the currency both in quantity and digit value became the order of the day instead of pursuing greater productivity capacity. More importantly, this is one of the root causes of the philosophy of more money among the politicians by all means even though they cannot contribute a dime to the wellbeing of the nation. More money in my own word and in view of the current intellectual work in Nigerian economy is not really in the word of Karl Marx (in which he sees the effort of the capitalists as simply to multiply the available wealth in their hand at all cost even if it involves the life of proletariat) but in line with the current situation in Nigeria in which the politicians are interested in drying the available public fund into their private pocket even if they don't need the money for anything (Okafor, 2017b). undermining the indigenous currency and exchange system forced the indigenous people to see essence of the economy from the angle of currency other than human resources which were encapsulated in the currency and object of transaction.

#### *2.4.3. The Colonialists' Introduced Currency and Exchange System Led a Foundation of Dependency by Nigerian Economy on the European and American Economies*

Introduction of the colonialists' currency or rather, article of trade was not done in line with the economic realities. It was simply done out of selfish determination to devaluate the human resource, productivity capacities and raw materials of the indigenous people in the face of the colonialists' configured article of trade and their imported goods. By implication, *the indigenous people were working for nothing while the colonialists were making huge profits from nothing*. In any case, this laid a foundation for the colonialist inspired politicians who pursued the policy

of paper and digit quality instead of real income values of the currency. In the long run, the foundation of paper and digit quality were designed to make the African indigenous economy to be dependent on the so called *global economic system* strictly controlled by the colonialists for their interest and wellbeing.

Indeed, whoever designed a system will always be at the position to dictate the lowest and the highest pest as well as who is qualified to function in the system. Due to the fact that the colonialists have initially designed the economy of the colonized to be valueless in terms of exchange currency and valuable in terms of raw materials; and the global economic system into valuable in terms of exchange currency and valueless in terms of raw materials, the African nations fell in the pit of valueless entities in terms of their currencies in the global setting while their raw materials continue to be used for the advancement of the Western European and North American nations. It is only a matter of giving the Africans few dollars their human resources and raw materials will be available but they may work and toil for centuries without accessing valuable products/materials from the Western Europe and North America as far as the relationship between dollar/Euro and African economies are concerned. This situation was responsible for the ever fluctuating relationship between Nigerian Naira and the British pound, American Dollar and the Euro currencies. Although some may argue that the earlier stage of post-colonial Nigeria experienced a near par to British and American currency; the fact remains that when we pair the currency value to the raw materials and human resources in these nations, there tend to be difference showing the incongruity between the values of the Nigerian currency and real economic resources, compared to that of Britain and America.

#### *2.4.4. The Introduction of the Colonialist's Currency and Exchange System Created the Attitude of Self-Hatred towards Indigenous Products and Services among the Colonized*

When the colonialists restructured the indigenous economy and introduced their own article of trade (currency), they led the foundation of inferiority of every indigenous product including configuring the mind of the indigenous people against their own system as they continued to worship the foreign economic products and ideas at their own peril (Okafor, 2017h). When the British colonialists in their African colonies demonetized the indigenous trading currencies introducing, their own currency the value, quality and essence of the indigenous currencies and hence the indigenous economic system and products became valueless in the subconscious mind of the indigenous Africans. The British colonialists started importation of the domestic materials and other products for the colonized mostly, the rejected products by their own system which were looking for a market place. At the same time, the colonialists were importing their men to control every segment of the economy which had a way of offering pecuniary benefits to those occupying them except, the positions requiring tedious works with paltry benefits which were exclusively for the indigenous people (Equiano, 1798/1967; Rodney, 1972; Nwanunobi, 2001). When the colonialists were leaving, they allowed the destructive system they have established to continue, save for the pseudo leadership they handed over to their already trained collaborators (indigenous ones) to justify the flag independence. The system the colonialists created through the restructuring of the indigenous economy and introduction of their currencies culminated to the level of the emerging indigenous leaders mostly if not totally dependent on the foreign economic ideas and products at their own peril. From the economic policies to the materials and personnel for their implementation in the postcolonial era, all were dependent on the foreign nations mostly the former colonialists. After the flag independence of Nigeria, the economic policies of Nigerian government, the technologies and personnel to implement them are still being determined by the Western Europe and their faithful ally (America). While the theoretical and practical implementation of these policies hold in high esteem the interests of the developers, the personnel sent across to operate in some institutions of the nation in implementing the policies maintain the interests of the home country while the technologies and other materials/products that are brought in are structured to put the indigenous economy (the colonized) at the lower rung of the global economic scale if you like, in mathematical terms, *on a ratio of 10 steps by the colonized equals to 1 step of the colonialists*. Even when the colonized (Nigeria in particular) wake up to her consciousness in the 70<sup>s</sup> to

introduce economic restructuring to deal with the colonialists'-set platform, in the name of indigenization, they ended up in the hands of the already configured elements who studied abroad with total western orientation and self-hatred. These elements came and created more chaos than were experienced before the idea of the indigenization. This was because, while the colonialists were bent to have access to the economy of the colonized (Nigeria), the foreign trained elements who were expected to have the answer to the problem of colonialists' structured economy were dependent on the same colonists' system abroad in proffering solution to any assumed problem or challenges. We have the belief that by the virtue of the fact that education in the European and American nations gave birth to the local education system, they are bound to produce graduates who will be more enlightened to handle complicated issues in the domestic affairs especially, in the interest of the local economy; the reality on the ground was the opposite. Most graduates that were trained abroad were simply indoctrinated into the original hatred and rejection of everything about the Black man as awful. The same elements the domestic government craved for and believed they will lift us out of the dungeon of colonialists' economic realities of *the more you look, the less you see* (i.e. the more you work, the less you grow), were the ones who came and reinvigorated the unseen colonialists' policy. While the ones in political and economic institutions are there struggling to protect the investments of the colonists and their allies, the ones in the education institution have collapsed the education institutions in Nigeria and created a lucrative opportunity for the colonialists and their allies such that the Nigerians are now the highest academic applicants in the European and American universities. In all directions, the colonialists' platform for exploitation which began with the article of trade continue to threaten and neutralize every effort for indigenous economic growth.

#### *2.5. Hope within the Realm of Possibilities (The Way Forward)*

Indeed, when we look at the situation of postcolonial African nations, it appears as if they were set on permanent default to depend on the colonialists' system by nature. This is not true as the economic reality of political relationship is that the superior country will always want to use the inferior country for their own benefit and at the same time, the inferior country still has the options of continuing on the existing relationship or pull away to seek for survival. At least at some point in the present time we observe the shift in relationship at the international level between countries and their formal allies and even the colonial masters. It is a bitter pill to be swallowed yet, it must be swallowed for there to be cure to the ravaging disease. Even the colonial agents, who continued to be harvesting the fruit of imposed control which they introduced when they came in, were not at ease when they captured the empires and the small scale societies. Most of their soldiers died in the hands of *mosquito warriors* who happened to create the buffer zone between the Europeans and the Black Africans; some even died at sea while trying to move across oceans, while the government at home has to sacrifice a lot of things in order to have access to the territories of the colonized. In much the same vein, to be free from the yoke they have placed on the colonized, the colonized must summon courage to hold the bull by the horn after all, the extent of damages which has taken place and continue to take place are more severe compared to diplomatic isolation which is the highest level of shift in diplomatic relationship with any of the major global players.

To modernize colonialism, the British government went home and structured what she called "Common Wealth of Nations" ostensibly to continually place her former colonies in a raider and under a cloak of control; though this organization or rather colonized club was presented as a form of opportunity for interaction among a number of nations and Britain and more importantly, to foster economic growth and development among the colonized nations, the practical reality of belonging to this club has turned to be *common wretched of nations* who are by all classifications, perpetual servants and beggars in the global economy. Though from peripheral observation, we may use a country like Australia to leverage Britain in terms of their position that such club was for development however, we ought to be aware that as far as Black race is concerned and colonialism, the economy was structured to create perpetual poverty. This is because of the racial history of Australia compared to that of

African nations like Nigeria. Instead of “Common Wealth of Nations” fostering development, it simply projected the African nations as the potential preys and new destination for neocolonialism.

Just as no individual or group will advise any group against their (the adviser’s) will, wish or intention, it is impossible for the European Union, America or even other world powers to advise the African nations especially Nigeria against their (world powers or superior nation’s) interests. As far as Nigeria has appeared on the global stage as a hotspot for raw material and human resources, no nation will eventually diplomatically relate with Nigeria without looking at exploiting these opportunities. This is the more reason why Nigeria should make her economic, educational policies etc, home grown in order to escape the international predators that slip in with their economic and political advice.

Another challenging problem to the African nations such as Nigeria in the effort to recover from the symptoms of colonialism is, the issue of aids from abroad which do not appear as they sound. It is aid in terms of concept but *AIDS Acquired Immune Deficiency Syndrome* in terms of appearance and effects. Beyond quantitative analysis which tries to present in mathematical terms, the number of aid(s) from abroad and the number of individuals and groups who have received them, we are yet to qualitatively connect such aid(s) to the economic real terms as it concerns the hope of common man in the domestic economy. Invariably, the more we collect, the more we reduce and the more vulnerable to neocolonialists we become. Aid cannot help African nations as they are new political strategy to make the continent perpetual dependent.

What the African domestic economy requires for its liberation from the shock of colonialism which continue to ripple across generations is to go back to the drawing board and understanding the tools and strategies the colonialists adopted in submerging the system, in order to use such in re-floating the system out of the ocean of wretchedness. Economic and political policies are not fictitious and superstitious assumptions which can be handled by trial and error, they are skillful tasks that simply require skillful and technical strategies for more accurate predictions and results. In any case, what the colonized (Nigeria in particular) needed was simply to master their system to understand how colonial policies survived and the possible strategy to regain the system from the remnant of colonial structures.

First and foremost, what made the colonial agents confident of their strategies and policies was the fact that they were working with reliable information which was mostly collected by their hired Anthropologists. These Anthropologists were more or less the perfect barometer for the colonialists to check the scale and the warmth of the social system from which other aspects were controlled. As a matter of fact, the information collected by the colonialist’s Anthropologists are still in use in our University teachings of the discipline, and in understanding various groups in Nigeria after more than hundred years the colonialists used such information. Currently, the government of the day follows rule of the thumb in policy initiation where they used research information, it may be the ones carried out abroad or better still, the studies sponsored by the United Nations bodies which, are specifically for people who sponsored it and not for the domestic interest. The social scientific information which ought to be the bases for economic and political policies are relegated at the background why the government crave for technology and foreign packaged policies, which come back from abroad in wrong packaging to meet with undesired social system and cultural orientation. Anthropology is seen as a child play while history is absolute waste of time to the government of the day so that, if any student is doing Anthropology it is deemed abnormal and the student himself seeing the discipline as a way of passing time while preparing his mind for some other things valued so much by the current dispensation. Recently, the government of the day openly abrogated history in the federal colleges in order to focus the students more on science or perhaps, to obliterate their mind of the Nigerian civil war. The truth is that the government needs the Anthropological and historically informed policies to reverse the system the colonialists designed to work against the indigenous people.

The government of the day and the present generation needed home grown scholars and technocrats to reverse the colonialists designed system. There is never a way someone who is trained abroad with the understanding that

Africa is inherently evil, will come back and appreciate the same system without trying to continue it in the way the colonialists designed it. In any case, what we see as men and women who come back from abroad to look for positions of authority are simply the ones the colonialists' system abroad has rejected because of incompetence or lack of space otherwise, all the relevant materials are retained for their own growth after training.

For the Africans (Nigeria in particular) to escape the cloak of the colonialist's default, there must be a grass root inculcation of the values of the traditional African system both through the history as a discipline and anthropologically informed family policies. This is because of the fact that without the coming generation grounded in their own culture and history, they are bound to end up in self-hatred. When self-hatred sets in, there is never a way the children will appreciate their father land not to talk of defending it.

The dignity of Nigerian economy and currency will only be restored when the Nigerian government go back to the drawing board and considered the factors that were responsible for the way the indigenous people valued exchange system and materials before the colonialists and how the colonialists utilized this information to develop a captivating and real time economic policies, which helped them to successfully control the economy and still left behind a lasting effect on the economy. Government may consider criminalizing currency abuse (a strategy that failed even the colonial agents earlier) and rejection or even decide to eliminate the lower currencies; they are bound to be counterproductive. This is because of the fact that criminalizing currency abuse will end up creating business opportunity for the corrupt police institution who will turn every case into arrest and bail for money, and no case may see the court proceeding while the problems continue. Eliminating the lower currency will simply make the domestic economy vulnerable to the foreign currencies and at the same time undermine our natural resources and productivity essence at the global scene.

Foreign technology will come to meet undesired system by default, foreign aid will come to sink in a corrupt system and even make us vulnerable to neocolonialism, imported political and economic policies will come to reinvigorate perpetual wretchedness, while currency evaluation and devaluation will continue to turn Nigerian economy to object of caricature at the international stage, only the knowledge and information about the logic of the indigenous social and value system will set a lasting platform for indigenous (public) oriented policies which will unhook the domestic economy from symptom of colonialism.

### 3. CONCLUSION

The tampered indigenous trading currency and by implication, the African indigenous exchange system in Nigeria led a foundation for a lot of challenges and problems which continue to reverberate across the system and generations. Although we blame the colonial masters for the problem and challenges such continue to pose to the African (Nigerian) people, the fact remains that there is never a way the colonial agents would have left their own interest and start pursuing that of the local people. The empire builders spent money to capture the region and they needed to get their expenses back with profit and interest because their coming to Africa was never meant for charity adventure. Much in the same vein, the Indigenous (Nigeria) government after the colonial era ought to work hard to liberate herself from the cloak of perpetual slavery. The colonial agents never consulted Nigerians to set up the colonial structure, much as the Nigerian government does not need to consult the colonial agents to liberate herself. In any case, Nigeria should look back on how the territory fell to the enemy, understanding the factors responsible and the right step to take to recover the territory.

**Funding:** This study received no specific financial support.

**Competing Interests:** The author declares that there are no conflicts of interests regarding the publication of this paper.

## REFERENCES

- Acholonu, C.O., J. Prabhakar and E. Olumba, 2009. They lived before Adam: Pre-historic origins of the Igbo - the never-been-ruled (Ndi Igbo since 1.6 million B.C.). Owerri, Nigeria : Fylann Ltd.
- Achor, P.N. and A. Robert, 2013. Shifting policy paradigm from cash-based economy to cashless economy: The Nigeria experience. *Afro-Asian Journal of Social Sciences*, 4(4): 1-16.
- Adeyemi, K.S., 2006. Overview of currency management in Nigeria. *Bullion of the Central Bank of Nigeria* October–December: 1.
- Aghalino, S.O. and B. Eyinla, 2008. Oil exploitation and marine pollution: Evidence from the Niger Delta, Nigeria. *Journal of Human Ecology*, 28(3): 177-182.
- Ajayi, S.I. and O.O. Ojo, 2006. Money and banking: Analysis and policy in the Nigerian context. 2nd Edn., Ibadan: Daily Graphics Nigeria Ltd.
- Allian, A.A. and W.R. Alchian, 1994. *University economics*. Belmont: Wadsworth Publishing Company.
- Anyanwu, E., 2008. Oral interview on different denominations of English money that circulated in colonial Nigeria. Ugbawka, January 4.
- Baddeley, M., 2004. Using e-cash in the new economy: An economic analysis of micro-payment systems. *Journal of Electronic Commerce Research*, 5(4): 239-253.
- Basten, E., 1938. *Indigenous exchange system among the people of Southern Nigeria*. London: Tavistock Publications.
- Birthwistle, C.A., 1913. Report on Manilla currency. NAE/1789, 11, Riv.Prof 5/1/198.
- BIS, 2001. Bayesian approach based on a Markov-switching model of the business cycle. *The Review of Economics and Statistics*, 81(4): 608 – 616.
- Chukwu, D.O., 2000. Some thought on the central banking role of the Bank of British West Africa. *Nsukka journal of the Humanities*, 11: 119 - 120.
- Chukwu, D.O., 2005. British monetary system and the fall of local currencies in Southern Nigeria in the early twentieth century. *Unizik Journal of Arts and Humanities*, 11: 221.
- Chukwu, D.O., 2010. Trends and changed in the Nigerian currency system, colonial period – 2008. *Studies of Tribes and Tribals*, 8(2): 87 – 101. Available at: <https://doi.org/10.1080/0972639x.2010.11886622>.
- Cohen, J.W., 1974. Some ideas and models in reliability theory. *Statistica Neerlandica*, 28(1): 1–10. Available at: 10.1111/j.1467-9574.1974.tb00229.x.
- Cooper, F., 2002. *Africa since 1940: The past of the present*. London: Cambridge University Press, 1.
- Dike, K.O., 1956. *Trade and politics in the Niger Delta, 1830-1885: An introduction to the economic and political history of Nigeria*. Oxford: Clarendon Press.
- Dorward, D.C., 1976. Precolonial tiv trade and cloth currency. *The international Journal of African Historical Studies*, 9(4): 576-591. Available at: <https://doi.org/10.2307/217013>.
- Dzokoto, V.A.A., E. Clifford Mensah and A. Opare-Henaku, 2011. A bird, a crocodile, and the 21st century cowrie shell: Analyzing Ghana's currency change. *Journal of Black Studies*, 42(5): 715-736. Available at: <https://doi.org/10.1177/0021934710372892>.
- Equiano, O., 1798/1967. *Equiano's travel: His autobiography* (Edited by Paul, E. Edwards). London: Heinemann Educational.
- European Central Bank, 1998. *Reports on Electronic Money*, Frankfurt, Angush ECB.
- Falola, T., 1984. *The political economy of a pre-colonial African state: Ibadan, 1830-1900 Ile-Ife*. Nigeria: University of Ife Press.
- Fry, R., 1976. *Bankers in West Africa: The story of the Bank of British West Africa Ltd*. London: Hutchison Publishers.
- Gagliardone, I., 2014. Media development with Chinese characteristics. *Global Media Journal*, 4(2): 1–16.
- Hauston, F.G., 1972. *Local currency among the indigenous people of Niger Delta*. London: Oxford University Press.
- Hodvkin, G.C., 1975. *Coin currency and perception of the indigenous economy*. Chicago: University of Chicago Press.
- Hopkins, A.G., 1966. The currency revolution in South-West Nigeria in the late nineteenth century. *Journal of the Historical Society of Nigeria*, 3(3): 471-483.
- Ikuseedun, A., 2006. Promoting the use of coins in Nigeria. *Bullion of the Central Bank of Nigeria*, 30(4): 30.

- Isichei, E., 1982. Studies in the history of Plateau State, Nigeria Responsibility London: Macmillan.
- Johnson, M., 1970. The cowrie currencies of west Africa Part I. The Journal of African History, 11(1): 17-49. Available at: <https://doi.org/10.1017/s0021853700037427>.
- Jones, G.I., 1977. Native and trade currencies in Southern Nigeria during the Eighteenth and Nineteenth centuries. In: ZA Konczacki, JM Konczacki (Eds.): An Economic History of Tropical Africa: The Pre-Colonial Period. London: Frank Cass and Co. Ltd.
- Kikuno, H., 1993. Schema of coins and memory for features of coins. Perceptual and Motor Skills, 77(3\_suppl): 1235-1238. Available at: <https://doi.org/10.2466/pms.1993.77.3f.1235>.
- King, K., 2013. China's aid and soft power in Africa: The case of education and training. Woodbridge: Boydell & Brewer.
- Kirk-Greene, A.H., 1960. The major currencies in Nigerian history. Journal of the Historical Society of Nigeria, 2(1): 132-150.
- Lathan, A.G., 1961. The people of the Sahara and their local exchange system. London: Oxford University Press.
- Le Pere, G., 2015. The China-Africa connection: An ambiguous legacy. In C. P. Freeman (Ed.), Handbook on China in developing countries. Cheltenham: Edward Elgar. pp: 359-385.
- Loynes, J.B., 1962. The West African currency board, 1912-1262. London: The West African Currency Board.
- Mc Phee, A., 1971. The economic revolution in British West Africa 2nd Edn., London: Frank Cass and Co Ltd.
- Neumark, S.D., 1977. Trans-Saharan trade in the middle ages. In: ZA Konczacki, JM Konczacki (Eds.): An Economic History of Tropical Africa: The Pre-Colonial Period. London: Frank Cass and Co Ltd.
- Nicolas, S., A. Marchal and A. Guida, 2004. The memory of a Euro coin. European Journal of Applied Psychology / European Review of Applied Psychology, 54(4): 247-250.
- Nwanunobi, C.O., 2001. African social institutions. Nsukka: University of Nigeria Press.
- Odior, E.S. and F.B. Banuso, 2012. Cashless banking in Nigeria: Challenges, benefits and policy implicatins. European Scientific Journal, 8(12): 289 – 315.
- Odunkaku, E.U., 2012. Brief report on the excavation in Orile-Keesi, Abeokuta, Nigeria. The Nigerian Journal of Economic History, 12(9): 112-120.
- Ofonagoro, W.I., 1979. Trade and imperialism in Southern Nigeria 1881 – 1929. London: Nok Publishers.
- Ogunremi, G.O., 1982. Counting camels economics transportation pre industrial. Hadley: NOK Publishers International.
- Okafor, S.O., 2017a. Child exposure to media and cultural imperialism: Challenges to African socio cultural and political development. Journal of Child & Adolescent Behavior, 5(3): 1-5. Available at: <https://doi.org/10.4172/2375-4494.1000346>.
- Okafor, S.O., 2017b. Nigerian social institutions in the Lens of Anomie theory. Sociology and Criminology, 5(1): 1-6. Available at: [10.4172/2375-4435.1000167](https://doi.org/10.4172/2375-4435.1000167).
- Okafor, S.O., 2017h. Child exposure to imperialism: A threat to African self-development. Düsseldorf Germany: Scholars' Press.
- Orji, H.O., 1987. Regional banking and economic development in Nigeria. Enugu: Fourth Dimension Publishers.
- Ozoemena, C., 2005. ObasanjaLaunched new N1000 note. Vanguard Newspaper, October 13. pp: 10.
- Rodney, W., 1972. How Europe underdeveloped Africa. Washington D.C:Howard University Press.
- Shand, E., 1970. Colonial system in Africa and the indigenous economic system. London: Faber.
- Vroom, V.H., 1957. Effect of design on estimation of size of coins. Canadian Journal of Psychology/Revue Canadian De Psychology, 11(20): 89 – 92. Available at: <https://doi.org/10.1037/h0083699>.

*Views and opinions expressed in this article are the views and opinions of the author(s), International Journal of Sustainable Development & World Policy shall not be responsible or answerable for any loss, damage or liability etc. caused in relation to/arising out of the use of the content.*