

## Emerging Ties-Nigerian Entrepreneurs and Chinese Business Associates

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### **Abstract**

Africa-China relationships consist of various interactions between government officials, to large corporations, and individuals. This article examines the emerging relationship between Africa and China through the ethnography of a Nigerian entrepreneur who seeks to expand his business by selling to Chinese clients. Entrepreneurship is lauded in Nigerian society. China's increasing presence in the country is often presented as a positive economic opportunity for Nigerians, including entrepreneurs. This research highlights the complex nature of business relationships between Nigerian entrepreneurs and Chinese counterparts. To build trust and business ties, the entrepreneur highlighted manages his brand via social media, utilizes social capital, and taps into relatedness and kinship within Chinese business circles.

### **Key words**

Africa, Brand management, China, Entrepreneurship, Nigeria, Small business, Social media, Social capital, Relatedness

**Page 1 of 18**

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Young people eagerly awaited a call from the stage to receive certificates verifying their admittance into a professional business organization. They had recently completed the National Youth Service Corps (NYSC) and while in service these young people were given the opportunity to take examinations for professional organizations. With a few exceptions based on age, all Nigerian university graduates are mandated to enroll in the NYSC program for a year and work for the country in a variety of industries. Upon completing the program, graduates join the Nigerian workforce. One of the objectives of the program is “that employers are induced partly through their experience with members of the service corps to employ more readily and on a permanent basis, qualified Nigerians, irrespective of their States of origin” (NYSC 2013). While many graduates looked forward to future employment with the organizations they worked for during their NYSC terms, the keynote speaker introduced the idea of an alternative future: working for themselves as entrepreneurs.

Although this idea appeared to contradict the final objective of the NYSC program, that firms who utilized NYSC workers should employ them after the program ended, the speaker’s message reflected two key issues: Nigeria’s unemployment rate and the historical role of entrepreneurship in Nigerian society. The estimated rate of country-wide unemployment in Nigeria is 23.1%, but the rate for young people is much higher at just over 55% (Olawoyin 2018; Munshi 2019). The Nigerian National Bureau of Statistics estimates youth unemployment to be just over 50%, while the Central Bank of Nigeria estimates it at 80%. When young people enter the job market, they are faced with a high level of competition and without connections (or luck), they usually join the ranks of the unemployed. By starting their own businesses young people are led to believe that they can avoid this fate. Even before graduation, students are not unfamiliar with student enterprises. On the campuses of universities across Nigeria, students earn extra money by running small businesses which range from selling clothes to their peers; styling hair; selling cell phone credit; cooking for events and more. Entrepreneurship is lauded not just as a defining feature of the national spirit of industry, but as part of Nigeria’s cultural values; it is seen as the cornerstone of growth and development.

Indeed, entrepreneurship is an essential component of Nigeria’s economic rise and power as a MINT<sup>1</sup> country. Entrepreneurship in Nigeria has been promoted for years. It is estimated that at some point, over 67% of the population has thought of starting his or her own business (Naudé 2011; Okeke and Eme 2014). Entrepreneurship is espoused to help both individuals (like the young people at the NYSC ceremony) and society at large. With growing connections between China

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<sup>1</sup> MINT [Mexico, Indonesia, Nigeria, Turkey] is a group of countries that are predicted to be the latest “emerging economic giants” (BBC 2014).

and Nigeria, Nigerian entrepreneurs are increasingly seeking to forge relationships between themselves and Chinese counterparts in order to develop and expand their businesses.

This article ethnographically explores the experiences of a Nigerian entrepreneur and highlights the various issues related to establishing, maintaining, and expanding an entrepreneurial venture while working with Chinese counterparts. As such, the anthropology of entrepreneurship informs my analysis of Nigerian-Chinese elite interactions. The overall central research questions are: 1) How do social relationships between Nigerians and their Chinese counterparts impact entrepreneurial ventures? 2) What key factors does the Nigerian entrepreneur rely upon to conduct business with Chinese counterparts successfully? I develop an argument that the aspirations of entrepreneurial Nigerians are strategically embedded into the cultivation of relationships with Chinese counterparts through the deployment of relatedness, trust, and brand management. How Nigerian businesspeople access Chinese business partners through networks is also a core component of these interactions (Onomake 2018).

This research seeks to contribute to the growing body of Africa-China literature from a new perspective which posits that it is essential to conduct ethnographic research to understand the lived experiences of African aspirational and elite actors. This is particularly of interest with respect to Africa-China relations. A significant number of academic and mainstream research focuses on Africans as lacking agency or being in less powerful positions than their Chinese counterparts; in fact, the relationship is more nuanced.

The ethnographic research for this article was conducted for over a year, primarily in the Southwestern Nigerian states of Lagos and Ogun. I met entrepreneurs through individual or organizational brokers. Subsequently, initial research participants introduced me to others. I also met entrepreneurs through social connections and via organizational brokers. I gathered data through interviews and participant observation. Business participants generally had constricted schedules with little leeway so there was considerable focus on engaging in their activities as far as permitted and conducting 'ethnography by appointment', basically doing research when my research participants could allocate time in their schedules (Kemmitt, 2008). Therefore, research into Nigerian entrepreneurs took place throughout a wide variety of places including offices, restaurants, in cars, at an industry event, and on social media as they used various platforms to promote their businesses. Sometimes our meetings were scheduled a few weeks in advance and other times I would receive a call the day before an entrepreneur was available.

### **Ethnographic Interpretations of Entrepreneurship**

Definitions of entrepreneurship vary from the formation of informal or micro enterprises (Olomi and Kinunda-Rutashobya 2009) to those “behaviors, attitudes and actions that not only focus on business but also on the social contributions in transforming society” (Abaho et al. 2013: 3). Generally, entrepreneurs are described as embodying a variety of characteristics including motivation, grit, competitive spirit, calculation, discipline and a high level of busy savvy. In Reichman’s research into sea cucumber entrepreneurs in Maine, he argues that definitions of entrepreneurship that focus on individual actors without reference to structural motivators, tend to eschew complex analysis in lieu of “...the ubiquitous hagiography of the individual entrepreneur that anthropologists have observed in practice around the world” (Reichman 2013: 561).

Garba argued that categorizing all entrepreneurship as positive can be dangerous and that “the existence of entrepreneurs is not a guarantee that everyone is acting productively to advance economic growth” (Garba 2012:167). Negative entrepreneurial ventures can bring wealth to the entrepreneur and employees but have ill effects on society through subversion of the law. In more politically unstable environments, negative entrepreneurial ventures can thrive due to the lack of enforcement of laws and potential collusion from government officials. Distinct categories of positive and negative are displaced by complex and more nuanced categories that suggest that the boundaries between negative and positive; informal and formal; illicit and licit are more fluid and negotiable than proposed.

As ethnographies of entrepreneurship continue to evolve, a number of themes and domains appear. For decades Stewart’s research into family-held firms has provided insight into domains such as kinship logic as a strong motivation for business decisions in family businesses. Kinship logic extends to a variety of areas that are outside of the typical “rational” motivators including nepotism, network ties, and the mobilization of employees, particularly family members, that are used to operate the firm (Stewart 2003). For decades Stewart has challenged ethnographers to deploy an “... expertise in both familial and commercial domains...” which would allow for a greater understanding of the unique complexities of familial entrepreneurship (Stewart 2013: 25). Definitions of kinship itself have been interrogated in various research including Carsten’s seminal work on ‘relatedness’ (Carsten 2000). Verver and Konning’s analysis of kinship in entrepreneurial ventures among Cambodian Chinese communities seeks to take Stewart’s step further and in part, bridge his work to Carsten. Verver and Konning consider kinship ties beyond the nuclear and extended family into shared language and ethnic groups (2018). The researchers also examined entrepreneurship in its broader aspects including different phases of the business lifecycle and

various business issues including “...business ideas and connections, acquiring goods or machinery, management and succession, investment, and credit) across different phases” (Verver and Konning 2018: 632).

Social capital and trust are also prevailing themes within the anthropology of entrepreneurship, both in research on family and non-family firms. McKeever et al.’s research into entrepreneurs within a small Irish town highlighted the importance of social capital to entrepreneurs’ ability to engage in business practices. For these entrepreneurs, social capital was embedded in shared “...history, past dealings, routines, rituals and possibilities for entrepreneurial events” (McKeever et al 2014: 471). Although social capital benefits those within the community, it has an exclusionary impact on outside actors who seek to engage in business with entrepreneurs in the town due to distrust and a lack of established relationships (McKeever et al. 2014). Conversely, although trust was an essential part of trading in Horat’s ethnography of Vietnamese textile traders, established relationships (kinship in this example) did not always indicate an inherent level of trust:

Yet, despite the advantage of being trusted more readily, kinship ties may also slow down and restrict traders’ actions, especially when disagreements or conflicts arise. Therefore, members of the extended family or in-laws are not necessarily one’s most desired business partners. (Horat 2017: 160)

While trust is essential, social obligations and expectations also play a role when making business decisions. Rational business logic does not always take priority and instead, the need to maintain social relationships can take priority.

Lastly, ethnographies into non-traditional entrepreneurs reveal the increasing spectrum of entrepreneurship. Through these ethnographies emerges the need for entrepreneurs not only to understand various business functions, but also to focus on brand management. Shipley’s research into Ghanaian hiplife musicians demonstrates how rappers use their art to speak out about societal issues while also finding ways to sustain themselves economically. These artists “...imagine success and power not through the state but in lyrical dexterity, Afrocosmopolitan swagger, and marketing skill.” (Shipley 2009: 661). These entrepreneurs seek to create their own musical empires while bypassing the traditional music industry by controlling various aspects of their art and all the business functions related to selling their music, particularly branding. Similarly, research into professional rock climbers finds that these athletes’ coveted positions as ‘professional’ rock climbers are contingent not just upon their ability and success at climbing, but also the ability to manage their brand in the public eye through media appearances, social media interactions, etc. (Dumont 2016). However, unlike the musicians, rock climbers are not

enthusiastically seeking to control the various business aspects of their career. Instead, they attend to business by necessity, in order to maintain sponsorships and contracts.

### **Nigeria: A Country Full of Entrepreneurs**

Nigeria's history of entrepreneurship dates back to pre-colonial times (Hashim and Meagher 1999; Rotimi and Ogen 2008). "On the eve of independence in 1960, officials estimated that there were already more than one and a quarter million [Nigerian owned] enterprises in Nigeria, which some social scientists believed was an understatement" (Schatz 1979: 78). Official government intervention into business ventures was rare until the late 1950's when the first business incubator was established in Lagos state. Business incubators were created for businesspeople to utilize for up to five years in the hopes of promoting "indigenous entrepreneurship by providing entrepreneurs with a superior base of operation in fully built up factory buildings with the supporting infrastructural facilities as well as technical/management support services" (Adebite 2001: 160). The majority of the businesses participating in this scheme were not successful in the transition from incubator status to independent entrepreneurship. Adebite attributes part of this failure to poor support and management from the government (Adebite 2001).

Research on Ghana's entrepreneurial class development found that, in order to alleviate poverty, from the mid-1980s onwards, governments and donor agencies refocused previous policies and invested in small entrepreneurial ventures (Arthur 2005). Nigeria also experienced a similar approach. After mandating that Nigeria participate in structural adjustment programs, the very same donors directed their efforts towards stimulating the Nigerian economy through investments into small entrepreneurial ventures. (Thaddeus 2012). By the mid-1990's, James Wolfensohn, then head of the World Bank, began to laud the use of entrepreneurship, which he credited with helping millions of people.... "work their way out of poverty with dignity" (Dolan and Scott 2009: 205). Additionally, micro-credit programs were increasingly praised as market-based tools that help lift women and their families out of poverty (Dolan and Scott 2009). Entrepreneurial development focused on SMEs due to the perceived benefits that SMEs have on a country's economy. "SMEs represent a veritable vehicle for the achievement of national economic objectives of employment generation and poverty reduction at low investment cost as well as the development of entrepreneurial capabilities including indigenous technology" (Ogbo and Nwachukwu 2012: 95).

In the 21<sup>st</sup> century, the ideal of entrepreneurship became further entrenched in Nigerian society with the introduction of new training

programs and the inclusion of entrepreneurship studies into the country's higher education curriculum. One example is The Centre for Entrepreneurship Development (CED). The CED has a mandate to teach "students of higher institutions (especially in science, engineering and technological [SET]) to acquire entrepreneurial, innovative, and management skills" so that they "create job opportunities for others and...generate wealth" upon graduation (Thaddeus 2012: 32). In 2011, former President Jonathan created YouWin, another entrepreneurship programme aimed at young people. The programme proved to be quite successful with 24,000 applicants in the first year and had over 100,000 applicants by 2016 with 1,500 grant recipients (Goldmark 2016). Grants range up to \$50,000 dollars. After the first round of YouWin received a low number of female applicants, the second competition focused on cultivating female entrepreneurship. YouWin is jointly managed by the World Bank, the Pan-Africa University in Lagos, and the Plymouth Business School in the UK (Abdulhamid 2012). Despite earlier reports of the ripple effects of new businesses created or expanded through YouWin funding, recent years there have been complaints about government delays in dispersal of funds (Onuba 2018).

In 2014, the government created the Nigeria Industrial Revolution Plan (NIRP) and National Enterprise Development Programme (NEDEP). The initiatives were created to help further develop the Nigerian manufacturing sector, specifically locally owned firms in the micro, small and medium categories. During the launch of the programme, former President Jonathan stated that the NIRP "will fast-track industrialization, accelerate inclusive economic growth, [focus on] job creation, transform Nigeria's business environment and stop the drain on our foreign reserves caused by importing what we can produce locally" (SMEDAN).

Entrepreneurship has gradually become the major focal point in the toolkit of Nigerian economic development. This intensified focus on entrepreneurship can be attributed to a combination of factors including a shift in programme funding from donors, "the increasing rate of unemployment, a growing service sector, a reduction in regulatory control, increasing privatization/competition, and the introduction of a [new] poverty eradication program in 2001" (Thaddeus 2012: 32). Entrepreneurial discourse is consistently linked with the ideal of job creation for individual entrepreneurs and with time, job creation for fellow citizens through employment. Wider aims of entrepreneurship embrace country-wide development and national economic independence (Ovat 2013: 37-39). Entrepreneurship is held up as a golden beacon and an effective panacea for Nigeria's economic and social ills. Ogundele and Abiola advocate educating Nigerians throughout society in entrepreneurship.

The widespread level of unemployment in the country could have been minimized if Nigerians of varying age groups and

backgrounds were exposed to entrepreneurial education, training and development across levels.... The evangelistic agenda will not be complete if any segment of the society is not catered for. Everybody must be an entrepreneurial crusader from the urban to rural areas (Ogundele and Abiola 2012: 144)

Some researchers argue that entrepreneurship can be born out of necessity by people who cannot find work or are employed in jobs that do not pay them enough to sustain themselves. This argument could be applicable when Nigeria's high level of unemployment rates are considered. However, when researching entrepreneurship in Uganda and Sri Lanka, Rosa et al. (2006) found that entrepreneurship out of necessity was not the case for the majority of entrepreneurs. Instead they found that entrepreneurs were "...progress and status driven to improve their social and economic standing so that they can contribute and enjoy the benefits of development. In doing so they will lessen any state of necessity, but this will be a consequence rather than a driver of their entrepreneurship" (Rosa et al. 2006: 9-10). Research into South African women entrepreneurs found that despite facing economic issues, generally the women "were relatively better educated than the general population" and "often possessed more assets, television, telephone, internet access, electricity, running water, and so on-than the percentage reported in the wider community" (Dolan and Scott 2009: 206-207).

On average, most new businesses in Nigeria fail within the first five years of operations (Ogbo and Nwachukwu 2012). Some of these failures are due to the challenges of doing business in Nigeria. In a survey of Nigerian SMEs, Ogbo and Nwachukwu found that these challenges included "lack of easy access to funding/credits", trade barriers, and "lack of adequate managerial and entrepreneurial skills" (Ogbo and Nwachukwu 2012: 99). Other challenges to Nigerian entrepreneurs ranged from poor infrastructure to corruption to inconsistent government policies and security issues (Ihugba et al. 2013: 28-29). Although some of the previously discussed government programs attempt to combat a number of these challenges, many of these issues are deeply entrenched in society and require larger long-term and intensive solutions. But despite these issues, Nigerians continue to create businesses.

My article stems from this larger body of ethnographic research. It examines the struggles and successes encountered by Nigerian entrepreneurs as they engage with Chinese business associations in an attempt to realize the Nigerian entrepreneurial dream. For this article I have chosen of one of the entrepreneurs as a case study. This entrepreneur's experience demonstrates one the ways Nigerian entrepreneurs connect with China (as buyers; sellers; and partners) and highlights the key themes of entrepreneurships as discussed in the brief review of the anthropology of entrepreneurship. These themes of



relatedness, social capital/trust, and brand management play a role in the lives of Nigerian entrepreneurs as they navigate their relationships with Chinese business partners.

### **The Mineral Whisperer: Selling to Chinese Clients**

Preston is in his late 30s and is the owner of a natural minerals business. Although he sold to wholesale clients from Nigeria, Tanzania, the U.S., and Germany, the majority of his clients are from China. Despite Preston's parents' desire for him to become a doctor, it was his long-standing interest in geology from childhood that led to Preston's entrepreneurial ventures. Preston studied briefly at the University of Lagos but eventually stopped his studies due to a lack of interest and boredom during continued university strikes. After starting his business, Preston took a professional course in Corporate Administration through the Chartered Institute of Administration. Entrepreneurship is not uncommon in Preston's family. Besides his father who worked in senior management for two international corporations, his mother owned her own business selling soft drinks. Additionally, Preston's sisters work with their husbands on individual entrepreneurial ventures.

Preston started his business by selling quartz through Alibaba.com, an online marketplace for business-to-business commerce that is headquartered in China.<sup>2</sup> He also focused on promoting his business through social media via Twitter and Facebook. Preston made additional business contacts through existing clients or on his own because, due to his good deals, "some [customers] don't want to share [him] as a contact". At the time I conducted my research, Preston had over 12 regular Chinese customers; the majority were either jewelry makers or gem dealers. Most of his clients went to Nigeria and conducted business face-to-face. As time went on, Preston branched out to sell a broad range of minerals given the variety of gemstones found in Nigeria.

He primarily concentrates on sourcing products from mines or markets in the south of Nigeria as well as in the middle of the country, particularly in Jos, a city in Plateau State (See Figure 1). Part of Preston's business involves buying minerals directly from the mines or markets and then selling them to Chinese clients. Many mines are jointly owned by management and miners, 70% by Nigerian owners and 30% by employees respectively. Instead of a salary, employees were provided with food and maintenance while the owners purchased gems directly from employees. Although Preston sometimes took clients to the gem markets, he learned early on that Chinese wholesalers preferred to go directly to the mines and buy from the miners, thus eliminating

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<sup>2</sup> Alibaba.com has offices in various countries including Japan, India, the United Kingdom and United States. A large number of the transactions has one party in China as either the buyer or seller.

middlemen like himself. While some of his wholesale clients attempted to follow this strategy, most found it difficult to make direct contact with mining management or miners so they often relied upon Preston to acquire minerals and gems for them.

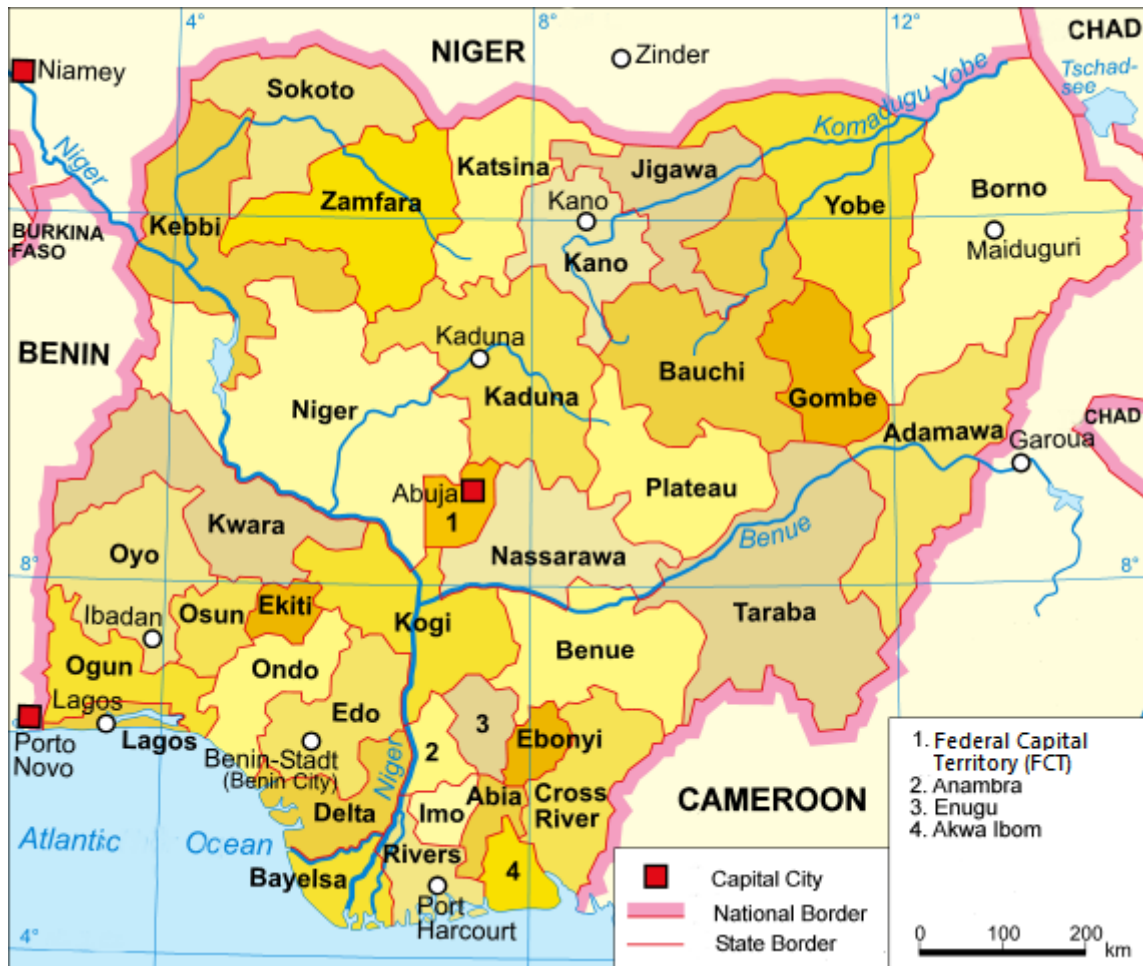


Figure 1. Map of Nigeria

[https://commons.wikimedia.org/wiki/File:Nigeria\\_political.png](https://commons.wikimedia.org/wiki/File:Nigeria_political.png)

### Perceptions: “What We Think of “Them”

Because the majority of Preston’s clients are Chinese and many of them visited Nigeria regularly, Preston interacted with Chinese counterparts more frequently than other entrepreneurs who participated in my research. Preston views his Chinese associates as “good” clients because as he put it, they “want to see what they’re buying”, pay in cash, buy in volume, do not mind the clarity of gems, and even buy rough gems. By contrast, European and American customers tend to buy clear gems which take time to either find or refine blemished gems to a state of clarity. Moreover, his Chinese clients are not scared to travel to Nigeria unlike most of the Western businesspeople with whom Preston has dealt.

Preston tried for months to convince a German customer to come to Nigeria and examine the gems that the client expressed interest in, but to no avail. Despite Preston's assurances, the German customer was discouraged from coming by both Nigerians and non-Nigerians alike. Through the examples of Joe, one of his first clients, and subsequent clients Preston learned that Chinese clients were more likely to ignore the perceived dangers and visit Nigeria.

During his first visit to Nigeria, Joe enthusiastically went throughout Lagos with Preston. He was so interested in Nigeria that Joe wanted to travel farther afield to northern Nigeria to visit the well-known gem market in Jos city. Jos has been the site of religious unrest between Christians and Muslims and many countries have warned their citizens not to visit Jos. Even so, Joe wanted to go because of the stories he'd heard about large varieties of gems sold at the Jos gem market. Preston was impressed with Joe's tenacity and felt that despite it being Joe's "first time in Nigeria, he wanted to visit...The thing about them [Chinese] is that they are not fearful". Preston, being more knowledgeable about the security situation in Jos, was able to convince Joe to visit a market near Lagos. Joe continues to visit Nigeria at least once a year. Conversely, most of Preston's clients are not willing to travel to dangerous regions of Nigeria and some Westerners are willing to travel to Nigeria. Preston's story demonstrates the value of personal interactions. Through his experiences with Joe, the German and others, Preston formed a general opinion of what he viewed as the opposing perceptions of Nigeria from Chinese and Western businesspeople.

Conversely, Preston expressed some downsides to conducting business with Chinese counterparts. Preston associated these issues to loopholes within Nigerian regulations. "They [Chinese] know our system is porous and they exploit it". Preston illustrated this point by sharing the short story of a Chinese client. Preston's client attempted to leave Nigeria without paying a formal customs or royalty fee on a large amount of quartz he purchased from Preston. When his baggage was examined at the airport, the client simply paid around ₦4,000 (\$25 at that time) to an airport official and was allowed to fly out. If the regulation had been strictly enforced, Preston's client would have had to pay the government at least five times that amount. According to Preston, although it is the Ministry of Solid Minerals Development's duty to collect royalties and issue mineral trading licenses, most Chinese clients face no penalties for not obtaining these licenses or failing to pay royalty taxes. Preston described the Nigerian mining sector as poorly structured and one in which Nigerian sellers are outnumbered by a variety of people from other countries including Mali, Senegal and The Gambia.

Preston attended monthly meetings organized by the Mining Ministry to have some input into shaping regulations to benefit Nigerians. His complaints about the poor regulations that allowed people to take

gems out of the country without paying fees were met with ambivalence and a lack of responsibility. The ministry representatives placed the onus on customs and said that customs officers had been trained to identify gems and access fees. Preston believed that even if customs officers received training, they did not conduct their jobs properly and thus, allowed gem buyers to flout regulations and “grease [their] palms”. Part of his distrust of Chinese firms was also due to the poor treatment of Nigerian employees by some Chinese firms. Preston referred to newspaper articles about deaths of Nigerian employees within Chinese firms, operating in Nigeria, due to atrocious working conditions and stories about poor working conditions in firms operating in China. Preston sought to mitigate these perceived dangers through interpersonal interactions and strengthened government regulations that held Chinese businesses accountable.

### **Impressions: Branding and Relatedness**

Entrepreneurs also consider branding and the perceptions Chinese counterparts have of them. Preston had some knowledge about Chinese history and social affairs which he used understand his Chinese associates. This knowledge was coupled with interactions he had with clients, both in groups and individually. Most of Preston’s business meetings were conducted at Chinese hotels in Lagos which are owned by Chinese expatriates and exclusively patronized by Chinese patrons. Preston often met with clients in public spaces and poured out bags of gemstones on tables and floors of Chinese-owned hotel lobbies. Only large deals were conducted in private rooms. “When they are amongst [other] Chinese, they conduct business openly” said Preston. It was not uncommon for other patrons to approach Preston after lingering around and observing his transactions with clients. By conducting business in a public place, Preston created trust through transparency which in turn acted as a form of marketing. Potential customers learned of his business by observing his dealings with others. When Preston discussed his relationship with clients, he commented, “Once you learn them, it helps your business strategy.” While his statement indicated a level of awareness regarding his customers’ needs, it also indicated an awareness of how they viewed him.

Preston placed an importance on understanding his customers so that he could actively brand himself as someone with whom they wanted to do business. Another way Preston attempted to engender trust was by procuring the gems before receiving payment from clients. Preston asked for payment only after clients chose gems from the piles of gems Preston poured out for them to inspect and bargain over. When he escorted customers to markets, Preston ensured they were not cheated and also deliberately covered his own expenses. Preston helped customers to

procure taxis and travel when needed. In response to his help, clients commented on his sincerity, offered to buy small pieces of jewelry for his family as tokens of their appreciation, asked for his advice on other business matters, and most importantly, clients continued to conduct business with him. Preston heightened his predisposition to be helpful and trustworthy which ensured customers' trust.

He continuously negotiated between the positive and negative perceptions of customers. Preston explained, "Chinese people don't like when you're too smart". Being "too educated/smart" led clients to believe his prices were too expensive. To manage this issue, Preston sent an employee that clients were unfamiliar with to conduct the sales. The clients bought the items at the same price Preston would have charged them had he met with them. However, because the clients did not know the employee worked for Preston, they did not associate their perceptions of Preston as educated and savvy businessman with the price. The clients felt they were in a more powerful position than the employee. Preston stated that while it is best to not "let them know you know much about business...If you're not smart, you won't understand how to deal with them." He used the Malian and Senegalese traders in Lagos as examples. The Chinese clients are willing to buy from the traders because they view them as less educated and less business savvy which results in lower prices. In reality, the traders are quite intelligent and know how to deal effectively with Chinese clients. These statements implied that in managing his relationships with clients, Preston presented a public and private face. His perceptions about clients' perceptions of him informed how he managed the relationship. Instead of actively attempting to change clients' perceptions, he worked around these perceptions and used them to his benefit.

Ultimately Preston described the relationship between himself and Chinese clients as symbiotic where both parties rely on each other. "If not for the option of Chinese customers, I would have left the gem business". This idea of symbiosis emphasizes the benefits of these business relationships for both Nigerians and Chinese businesses. Preston relied upon his Chinese clients, and they also relied upon him for high quality gems and honesty. Whether this symbiosis benefits both sides depends upon the bargaining positions of both parties.

## **Discussion**

The complexities that Nigerian entrepreneurs contend with are magnified as they interact with Chinese counterparts. Entrepreneurs must marshal capital-financial and social, relatedness, and reputation/brand management to engage with Chinese counterparts. This pattern is not uncommon for entrepreneurs in other circumstances, but these themes are heavily relied upon in the Nigeria-China context. Preston taps into the

relatedness ties that Chinese traders themselves rely upon as they conduct business in Nigeria. Once traders saw Preston's public dealings with one trader, he was regarded as a reliable source of gems. However, without initial trust and social capital with his initial customers, he would not have been able to tap into these kinship circles of Chinese traders. In effect, these kinship ties are extended to Preston, but his membership in the group has a different level of obligations and rewards than other members (Carsten 2000; Horat 2017). There is an implicit trust that both parties engaging in a business agreement must place in each other; without trust, business transactions would be completely imbedded in tension and unease and eventually prove untenable. Preston balanced trust along with mistrust which was also influenced by his perceptions of Chinese businesspeople which were influenced by media reports and empirical knowledge of Chinese businesspeople's interactions with Nigerians and other Africans. Ultimately, Preston's interpretation and judgment helped shape his decisions about selecting clients with whom to work.

Understanding Chinese traders' interpretations and perceptions of him were also essential to Preston's relationships with traders. Similarly, to newer categories of entrepreneurs who must be adept at various business functions including brand management, Preston relied upon managing perceptions (Shipley 2009; Dumont 2016). He has to navigate their trust in him alongside their views of his business acumen. He wanted to be viewed as reputable and intelligent, but not seen as too savvy which clients associated with higher prices. He mitigated this perception by using other employees in addition to branding himself as fair and transparent in his business dealings. Additionally, Preston uses social media to build his profile and attends industry events where he seeks to influence policies and regulations in favor of Nigerian traders.

## **Conclusion**

Entrepreneurship has been a cornerstone in Nigerian society for centuries. Post-colonial Nigerian society focused on institutionalizing entrepreneurship through the indigenization decree and the creation of numerous programs and initiatives. Subsequently, entrepreneurship has been incorporated into the Nigerian government's grand narrative for Nigerian-Chinese relationships. In theory, doing business with Chinese business counterparts is easy; one can simply go online and find items to purchase or find clients. Yet, the process is more complicated. Entrepreneurs must rely upon capital—social and financial, relatedness, and brand management to successfully engage with their Chinese counterparts.

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