

Trends and Changes in the Nigerian Currency System, Colonial Period - 2008

Dan O. Chukwu

*Department of History and International Studies, Nnamdi Azikiwe University, Awka, Nigeria
Telephone: +2348063305781, E-mail: danchukwu2005@yahoo.com*

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ABSTRACT European imperial adventure in Nigeria was essentially an enterprise in exploitation. Early in the days of imperialism, economic policies, particularly in the field of banking and currency, were crafted for the benefit of this enterprise. Among the results of British adventurism in Nigeria was the successful de-monetisation of the traditional currencies in the nineteenth and twentieth centuries. In their place was introduced the British monetary system consisting of the coins and notes. These forms of money thus became a common denominator for economic exchange in colonial Nigeria. Following the attainment of political independence in 1960, Nigerian authorities had to introduce what might be described as truly Nigerian currencies. In the 1960s, these currencies were still patterned after the British. However, in 1973 the authorities introduced the Naira and Kobo as an independent Nigerian currency. They also decimalised the currency. In this paper, the author examines the various policies and reforms that have characterised the currency system in the country beginning from the colonial period to 2008. He also examines the motivating factors for such policies as well as the people's reactions.