

## **Nigeria's Reform Policies and Relations with the Bretton Woods Institutions – 1999 to 2007**

**Aliyu Ahmed-Hameed**

*Research and Capacity Building Unit, Cardston Consulting Inc. Milton, Ontario, Canada.*

---

**Abstract:-**Nigeria's friendly and compliant foreign policy and relations with other countries and within major international organisations was badly affected by two decades of military misrule. Thus, the return to democratic rule in May 1999 was a development that many people hoped would address the country's internal problems as well as improve its policies and relations at bilateral and multilateral levels. This was a key expectation and priority for the Obasanjo administration in 1999. Apart from addressing the myriad of internal socio-economic and political problems, seven years on, that civilian government managed somehow to redeem the country's relations with many of its estranged friends and allies as well as reclaimed the country's position and positive role in various international institutions. In particular, given that a good part of the country's external problems relates to its obligations to or within some multilateral financial organisations, the pursuit of acceptable economic policies and active dialogue with those institutions have also helped. The new posture provided succour from the country's difficult international economic situation. This study examines the changes in the nature of Nigeria's relations with major international actors including the international financial institutions. It explores how Nigeria's relations with the Bretton Woods Institutions (BWIs) changed from hostilities to cooperation between 1999 and 2007.

**Keywords:-***Economic development, economic reforms, foreign policy, international financial institutions, international relations*

---

### **I. INTRODUCTION**

Although Nigeria had traditionally maintained a friendly and compliant posture in its relations with other countries and multilateral organisations and institutions, most of these relationships were strained by several years of military misrule and foreign policy misadventures. Accordingly, the country's image and external relations had been badly affected by the time the country returned to a much anticipated democratic rule in May 1999. Nigerians as well as the rest of the international community were hopeful and anxious that the civilian government would break the negative trend by addressing the country's internal problems, while also improving the country's policies and relations with the rest of the world, including major multilateral institutions. Over the period from 1999 to 2007, the Obasanjo administration did not only introduce and implemented credible policies and reforms to address complex internal socio-economic and political problems, the government also embarked on shuttle diplomacy and other engagements with major international actors towards redeeming the country's image and position as an active and compliant member of the international community. Specifically, with respect to the country's economic and financial policies and its relations and obligations within major international financial institutions, the Obasanjo administration pursued aggressive economic reforms to realign and revamp key economic sectors as well as the overall direction of the country's economy. The government also undertook active dialogue with key countries and institutions to present its new-found neoliberal policy disposition. Invariably, through a mix of personal credibility, policy astuteness and economic serendipity, Obasanjo successfully secured support and got relief from the country's difficult international economic situation, including the country's overbearing foreign debt burden.

This study examines the changes in the nature of Nigeria's relations with the group of international financial institutions and by extension the powerful G7 countries. Apart from significant improvements in Nigeria's general external relations, over the period from 1999 to 2007, how did Nigeria's relations with the Bretton Woods Institutions (BWIs) changed from hostilities and tension to cooperation and surrogacy? There is an explanation that the apparent progress made through Obasanjo's political and socio-economic reforms was responsible for the change in relations with the Bretton Woods Institutions. Indeed, it would be recalled that a similarly friendly relations was engendered when major economic reform programmes were initiated by another administration in the mid-1980s.

## **II. NIGERIA'S POLITICAL AND ECONOMIC STANDING BEFORE 1999**

Although, successive governments have placed primary focus on Nigeria's foreign policy and relations in Africa, the country has generally maintained cordial relations with most states and non-state institutions in the international system. The country has also been very active and involved in the United Nations and other international and multilateral organisations and agencies. Within West Africa and Africa in particular, Nigeria has actively collaborated with other countries on various African issues. However, by the middle of the 1980s, the country's dominance of African affairs and its standing in world affairs started to experience decline. Apart from international and continental developments such as the end of the Cold War, globalisation and the emergence of a free and democratic South Africa on the African scene, internal political and economic disarticulation constituted major challenges to Nigeria's ability to maintain its traditional buoyant and positive role in international affairs, and indeed its relations with major states and institutions on the global stage.

Nigeria's descent into political and economic abyss took root following the crisis that resulted from insensitivity on the part of the country's military leadership with respect to the presidential election conducted on the 12<sup>th</sup> of June, 1993 under the military administration of General Ibrahim Babangida. The election which was held after several postponements of the scheduled return to democratic rule, was noted to have been conducted with little or no violence or fraud and adjudged by independent observers, the press and thousands of party monitors as generally peaceful, fair and acceptable. But unfortunately, it was annulled by the military under the pretext that administrative and legal problems had made the electoral process unacceptable. That annulment and the subsequent military-baton-changing and arrest and detention of Chief M.K.O. Abiola, who had been adjudged winner of the election, plunged the country into further internal political and economic instability as well as loss of external image and prestige. The country did not begin to recover from that plunge until the end of the 1990s [1], [2].

However, a closer look at Nigeria's political and economic development reveals that the origin of the country's political and economic troubles date back farther than the elections and political turmoil of the early 1990s. Indeed, the country had been in a mix of political and economic disquiet since the late 1960s. Following the country's Civil War between 1967 and 1970, attempt by successive governments to juggle nation building with resource management and political experimentation frequently led to failures that prompted coups and countercoups, which of course brought economic decline to a country initially thought to hold enormous development potentials. The gains made with the conduct of democratic elections and the enthronement of democratic rule in 1979 was soon rolled back by economic mismanagement and corruption. The economic problems experienced between 1979 and 1983 were accompanied by fractious politics and lack of national cohesion, which provided sufficient excuse for the military to stage a comeback that was to last effectively until May 1999.

Although, the return of the military the second time around had started with some promise of reform and sanitation of the country's political and economic landscape, disagreement on leadership style and personality issues led to another intra-military coup that brought General Ibrahim Babangida to power in August 1985. The Babangida's government initially gave the impression that it understood the country's economic and political problems and was prepared and equipped with the solutions to deal with the problems. Invariably, eight years down the road, the regime had not only failed to resolve the country's many problems, it had also multiplied them, introduced "new strains of untreatable economic mismanagement" and of course, further worsened the political climate. The range of political and economic experimentations and reforms, including, the Structural Adjustment Programme (SAP), Mass Mobilisation for Social and Economic Reform (MAMSER), Political Bureau etc., embarked upon by the regime had worsened rather than improved Nigeria's economic and political standing by the time General Babangida was forced out of power in August 1993 [3], [4]. Importantly, by the annulment of the June 12 1993 elections, Babangida left Nigeria with enormous political deficit. According to Alli [5]:

"The successful completion of Babangida's transition programme with a successful hand over of power to a democratically elected President, at a time when key global conditionality for developing countries was democratization, would have enormously enhanced Nigeria's prestige and moral authority on the continent. All these would have enabled Nigeria to be in the forefront of efforts to chart a new path for the continent for the 21st century."

Unfortunately, upon the exit of Babangida, the country continued with its bad fortune as the government of General Abacha which seized power from the Interim National Government in November 1993 took undemocratic and repressive steps that further alienated Nigeria from popular international democratic mainstream and piled-on enormous economic mismanagement and waste on the country. Throughout its reign between November 1993 and June 1998, Abacha's government was plagued by internal political unrest together with external pressures, threats and political and economic sanctions by major governments, international institutions and non-government actors.

All attempts by the Abacha regime to stamp out internal oppositions, confront the international community in a tit-for-tat diplomacy and introduce genuine reforms through the production of a broad strategic vision such as the Vision 2010, as well as diversify the country's economy through diversion of trade and courting of new economic partners, unfortunately failed to alter the decline of Nigeria's internal and external political and economic standing. The military's record poisoned Nigeria's once fledgling international relations and major governments and multilateral institutions suspended cooperation and assistance programmes with Nigeria, while others broke diplomatic relations altogether, and some yet imposed various political, military and economic sanctions on Nigeria [6], [7]. Consequently, by the time General Abacha died in 1998, Nigeria was virtually prostrate due to a combination of internal economic decline, falling capacity utilization, deteriorating of infrastructure, dwindling external earning and reserves, external debt repayment pressures, and of course, unabated corruption. In addition, the country had also become a virtual pariah, despised by major western countries, unacknowledged by various multilateral organizations and effectively isolated from mainstream international relations. This was the situation inherited by the "interim administration" of General Abdulsalami Abubakar during its brief period in office and which he handed over to the civilian administration of Olusegun Obasanjo that came to power after what some observers consider a rebirth of Nigeria in May 1999 [8], [9].

### **III. THE BRETTON WOODS INSTITUTIONS**

Apart from the physical and human destruction suffered by the world during the two world wars, the wars also caused economic and financial problems for European countries and their allies as well as their territories and colonies. The experience of the Great Depression of the 1930s had also remained very vivid for these countries, and they were concerned to prevent another catastrophic collapse of national and international economies after the Second World War. This gave rise to the establishment of a framework for international monetary and financial cooperation to complement the political and diplomatic arrangements hatched at the Bretton Woods Conference in July 1944. Over the years, the framework which became known as the Bretton Woods System has produced institutions and agencies that now collectively oversee international monetary and financial affairs and provide some form of order and stability in international economic and financial relations. The organizations and agencies that make up the Bretton Woods Institutions are: International Monetary Fund (IMF) and the World Bank Group, which itself consists of five semi-autonomous institutions and specialized agencies.

#### **3.1 The International Monetary Fund (IMF)**

The IMF was conceived at the Bretton Woods Conference and came into existence in December 1945, when its pioneer member countries signed its Articles of Agreement. The aim of the Fund was to build a framework for economic cooperation that would harmonise international monetary and financial transactions and avoid a repetition of the disastrous economic situation that had contributed to the Great Depression. From the original 45 member countries that attended the Bretton Woods Conference, as at September 2007 the IMF's membership stood at 185, with approximate total quotas of \$338 billion[10].

The IMF is accountable to the governments of its member countries. At the apex of its organizational structure is the Board of Governors, which is the highest decision-making body and consists of one governor and one alternate from each of the member countries. The representing governor is usually the minister of finance or the governor of the central bank of the member country. All powers of the IMF are vested in the Board of Governors, but it may delegate certain powers to the Executive Board. The Board of Governors normally meets once a year at the IMF-World Bank Annual Meetings. The day-to-day running of the IMF is conducted by the 24-member Executive Board, supported by the International Monetary and Finance Committee (IMFC). The Managing Director is the head of IMF staff and chairman of the Executive Board. He is assisted by three Deputy Managing Directors. The IMF's resources are provided by its member countries primarily through payment of quotas, which broadly reflect each country's economic size. The total amount of quotas is the most important factor in determining the IMF's lending capacity. The annual expenses for running the organisation are met mainly through the difference between interest receipts on outstanding loans and interest payments on quota deposits.

The main responsibilities of the IMF according to article 1 of the Articles of Agreement are: promoting international monetary cooperation; facilitating the expansion and balanced growth of international trade; promoting exchange stability; assisting in the establishment of a multilateral system of payments; and making its resources available (under adequate safeguards) to members experiencing balance of payments difficulties [11]. The organisation's activities are focused at ensuring the stability of the system of international payments and exchange rates among national currencies that enables trade to take place between countries. It also seeks to promote economic stability and prevent crises; help to resolve crises when they do occur; and promote growth and alleviate poverty. The IMF carries out these mandates through three main functions: surveillance, technical assistance, and lending.

The function of surveillance is undertaken through regular dialogue and policy advice that the IMF offers to each of its members. Once every year, the IMF conducts in-depth appraisals of each member country's economic situation and discusses with the country's authorities the policies that are most conducive to achieve or maintain stable exchange rates and economic growth and prosperity. The assessments may be published (at the discretion of the member country) in order to promote transparency and information sharing. The IMF also combines information from individual consultations to produce assessments of global and regional developments and prospects. The results of IMF's multilateral surveillance are published twice each year in the World Economic Outlook and the Global Financial Stability Report.

The IMF also performs the function of technical assistance and training to help member countries strengthen their capacity to design and implement effective policies. Technical assistance is offered in several areas including, fiscal policy, monetary and exchange rate policies, banking and financial system supervision and regulation, and statistics. The IMF also makes financial assistance available to member countries to provide the breathing space they need to correct balance of payments problems. In this regard, the country concerned is often required to implement a policy program (i.e. Structural Adjustment Programme (SAP) or PRSP) as a pre-condition for IMF finance and cooperation. In the event that member countries experience difficulties in financing their balance of payments, the IMF also has funds that could be made available to help in recovery. Furthermore, the IMF carries out its functions of reducing poverty and addressing economic and financial stability independently and also in collaboration with the World Bank and other organizations. The main outlets through which the IMF does these include, concessional lending and debt relief programmes. Some of the instruments, facilities and programs are: Poverty Reduction and Growth Facility (PRGF); the Exogenous Shocks Facility (ESF); the Heavily Indebted Poor Countries Initiative (HIPC); and the Multilateral Debt Relief Initiative (MDRI). In addition, the Poverty Reduction Strategy Paper (PRSP) which appears to have replaced the infamous SAP is also used in helping low-income countries to produce comprehensive economic, structural and social policy framework to promote growth and reduce poverty [12].

Nigeria became a member of the IMF in 1961 and the country is usually represented on the IMF's Board by the Minister of Finance and the Governor of Central Bank of Nigeria as governor and alternate respectively. Nigeria's relationship with the organisation was largely nominal and positive until the mid 1980s when the country started to experience economic difficulties. Increasing balance of payment difficulties and economic decline led to various intervention programmes by the IMF including, SAP which was prescribed in 1986. While, the country's economic and political difficulties lasted between 1986 and 1999, the IMF played increasingly active role that can be likened to that of a "receiver" in the management of Nigeria's economic and monetary policies. However, since 1999 some form of cooperation has been developed between the country's government and the world organisation. There have been periodic consultations on Nigeria's economic plans and direction, and the country has adopted various IMF endorsed programmes and policies.

### 3.2 The World Bank Group

The World Bank Group consists of several international financial institutions and agencies that together provide financial, technical and other policy support to member countries. The group includes the International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID). Nigeria became one of the member countries in 1961, and has remained an active participant in the group, as well as a beneficiary of their facilities and programmes.

### 3.3 The International Bank for Reconstruction and Development (IBRD)

The IBRD or what is generally referred to as the World Bank was established in 1944 as the original institution of the World Bank Group. It is structured like a cooperative that is owned and operated for the benefit of its member countries. Its main objective is to reduce poverty in middle-income and creditworthy poorer countries by promoting sustainable development through loans, guarantees, risk management products, and analytical and advisory services. The original purpose for establishing the institution was to help war-ravaged European countries to rebuild their infrastructure and economies. Thus, the earliest recipients of its loans and facilities were the European countries and Japan. However, by the early 1960s, these countries no longer needed World Bank assistance, and its lending was then redirected to meet the needs of newly independent and emerging nations of Africa, Asia, Latin America, and the Middle East, and more recently, to the transition countries of Central and Eastern Europe.

The IBRD operates like a commercial entity and raises most of its funds on the world's financial markets. Its income and investments over the years has enabled the bank to fund development activities and projects in various countries. The bank is committed to further improve the services it provides to member countries, especially the poor and middle-income countries.

### 3.4 The International Development Association (IDA)

The IDA is the part of the World Bank Group that is dedicated to helping the world's poorest countries. It was established in 1960 with the aim of reducing poverty by providing interest-free loans and grants for programs that boost economic growth, reduce inequalities and improve people's living conditions. The IDA complements the IBRD, which serves middle-income countries with capital investment and advisory services. The IDA shares the same staff and offices with the other World Bank Group institutions and cooperate in many areas. The IDA is one of the largest sources of assistance for the world's 82 poorest countries, 39 of which are in Africa. It is also reported to be the single largest source of donor funds for basic social services in the world's poorest countries. IDA loans are concessionary, meaning that most of its facilities have very low interest rates or are given at no interest at all. In addition, repayments are stretched over long periods of between 35 and 40 years, including 10-year grace period. Since its inception, IDA has disbursed an estimated US\$161 billion in credits and grants and the largest share have been directed to Africa [13].

### 3.5 The International Finance Corporation (IFC)

The IFC is the private sector arm of the World Bank Group. It was created in 1956 as a step towards fostering private sector investment in developing countries. The member countries are those countries that satisfy the membership requirements of the World Bank (IBRD); and have signed IFC's Articles of Agreement and deposited instruments of acceptance with the World Bank Group's Corporate Secretariat. The IFC is under the overall direction of a Board of Governors to which member countries appoint representatives, usually the minister of finance or an equivalent. The Board of Governors delegates the day-to-day operational powers to the Board of Directors, which is also made up of representatives of member countries.

The main focus of the IFC is to provide loans, equity, structured finance and risk management products, and advisory services to build the private sector in developing countries. Another objective of the corporation is to promote economically, socially, and environmentally sustainable private sector investment in developing countries as a way to reduce poverty and improve people's lives. In addition, the IFC also shares the primary objective of all World Bank Group institutions aimed at improving the quality of life for people in developing member countries. Indeed, the IFC is acclaimed as the largest multilateral source of loans and equity financing for private sector projects in the developing world. It invests in for-profit ventures and charges market rates for its products and services. Some of the key areas of its activities include project finance, corporate finance, trade finance, equity finance, resource mobilization, technical assistance and advisory services. Nigeria and several other developing countries have benefited from IFC funding [14]. A major example of IFC's investment is its equity in the Nigeria's LNG project.

### 3.6 The Multilateral Investment Guarantee Agency (MIGA)

The MIGA is another member of the World Bank Group established in 1988 with the mission to promote foreign direct investment (FDI), support economic growth, reduce poverty, and improve conditions of living in developing countries. In view of the critical resource shortage faced by many developing countries, foreign direct investment plays important role in helping to reduce poverty and finance the development of key infrastructure such as, roads, electricity and clean water which in turn facilitate job creation and wealth generation. These kinds of private sector investment do not only help economies to grow, but they also enable governments to focus national resources to finance other areas of acute social needs. However, concerns about investment environments and perceptions of political and security risks have often inhibited FDI in many developing countries. Invariably, the majority of FDI flows appear to go to a handful of countries, leaving the world's poorest economies largely ignored. MIGA was established to address these concerns by providing three key services: political risk insurance for foreign investments in developing countries; technical assistance to improve investment climate and investment opportunities in developing countries; and lastly dispute mediation services, to remove possible obstacles to future investment [15].

MIGA attracts investors and private insurers into difficult operating environments and focuses on investment in specific areas such as: infrastructure development; frontier markets - high-risk and/or low-income countries and markets; investment in conflict-affected countries; South-South investments (investments between developing countries) etc. The central role that MIGA plays is to provide private investors with the confidence and comfort they need to make sustainable investments in developing countries. In view of its status as an affiliate of the World Bank Group and given that its member countries are in most cases the host countries as well as the investor countries, MIGA is able to provide unique, credible and secured investment assurances. Its role as a middleman helps to address the potential risks of an investment and make such investment feasible and achievable. It serves as a potent deterrent against government actions that may adversely affect investments, and where disputes arise, MIGA's leverage with host governments frequently makes it possible to resolve

differences to the mutual satisfaction of all parties. Towards achieving its objectives, the agency often partners with the World Bank and other major financial institutions and is able to leverage finance for guarantee trust funds in difficult investment climates. In addition, MIGA projects are usually aligned with World Bank country assistance strategies, and often integrate the best environmental, social, and governance practices. The projects also encourage local investments and spur the growth of local businesses.

### 3.7 The International Centre for Settlement of Investment Disputes (ICSID)

The ICSID is another member of the World Bank Group established in 1966 to deal with investment disputes arising between governments and investors. The main impetus for the establishment of the centre was the frequent occurrence of investment disputes between governments and private foreign investors which have necessitated mediation or conciliation by the World Bank or its officials. The creation of the ICSID provides a specially designed institution that can facilitate the settlement of investment disputes between governments and foreign investors and help to promote increased flows of FDIs into poor developing countries.

ICSID was established under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States which came into force on 14 October, 1966. Unlike the other affiliates of the World Bank, the ICSID operates like an autonomous international organization or a specialized agency, with its own Administrative Council and Secretariat. However, it has close links with the World Bank and all its member countries are also members of the Bank. The Administrative Council is chaired by the World Bank's President and consists of one representative of each member country. Unless a government makes a contrary designation, its representative on the Board of Governors of the World Bank also sits as ex-officio on the ICSID's Administrative Council. The Administrative Council holds its annual meetings in conjunction with the joint World Bank/IMF annual meetings. The expenses of the ICSID Secretariat are also financed out of the World Bank's budget, however the costs of individual dispute proceedings are borne by the parties involved.

Essentially, the role of ICSID as provided in its convention is to facilitate conciliation and arbitration of disputes between member countries and investors who qualify as nationals of other member countries. Although recourse by contracting parties to ICSID conciliation and arbitration is entirely voluntary, once the parties have consented to arbitration under the ICSID Convention, none of the parties can unilaterally withdraw its consent. Moreover, all contracting states are required by the Convention to recognize and enforce ICSID arbitral awards regardless of whether or not they are parties to the disputes. In addition, since 1978 the Centre has also been authorized to administer certain types of proceedings which fall outside the scope of the Convention. These include conciliation and arbitration proceedings where either the state party or the home state of the foreign national is not a member of ICSID. The Centre also provides additional conciliation and arbitration for cases where the dispute is not an investment dispute provided it relates to a transaction which has features that distinguish it from an ordinary commercial transaction.

Over the years, the ICSID process has gained increased popularity such that provisions for ICSID arbitration are commonly found in investment contracts between governments of member countries and foreign investors. Advance consents by governments to submit investment disputes to ICSID arbitration can also be found in many national investment laws and in several hundreds bilateral investment treaties. Similarly, ICSID arbitration process is stipulated as one of the main mechanisms for the settlement of investment disputes under certain multilateral trade and investment treaties, including, the North American Free Trade Agreement (NAFTA), the Energy Charter Treaty, the Cartagena Free Trade Agreement and the Colonia Investment Protocol of Mercosur. The number of cases/disputes submitted to the Centre has increased significantly in recent years. These include cases brought under the ICSID Convention and those brought under the ICSID Additional Facility Rules. However, beyond its dispute settlement activities, ICSID also undertakes advisory, research and publishing on various issues relevant to its objectives and activities. The Centre collaborates with other World Bank Group units and generally supports the group's activities in promoting international investment and economic stability [16].

## **IV. NIGERIA'S RELATIONS WITH THE BRETTON WOODS INSTITUTIONS BEFORE 1999**

As noted earlier, since gaining independence in 1960, Nigeria has built and maintained active multilateral relations within its immediate sub-region, Africa, and the larger international community. The country had declared at independence that it believes in and is committed to the international system built around the United Nations system, a position that has been maintained by successive leaders and governments. Accordingly, the country participates actively as a member of the United Nations and its specialized agencies and is involved at the platforms of various international political, economic and cultural organizations and institutions. Amongst these international institutions are the BWIs which are the main platforms for international cooperation on economic, financial, monetary, investment, and trade matters. Of necessity, Nigeria joined the

World Bank Group in 1961 and has remained a member of the various institutions and agencies within the Group despite the ups and downs in the relationships during the last three decades.

Like many newly independent countries in the 1950s and 1960s, Nigeria was passionate about adopting and/or borrowing from the Western models of economic development. This dictated that the country not only become a member of the major financial and monetary arrangements, but that it also conducts its domestic and international economic policies and relations in accordance with the regulations and standards established by those institutions. In this sense, one could say that the country's relations with multilateral financial institutions, in particular the BWIs has largely been compliant and conformist. This is also partly due to the country's aspirations for socio-economic development and its need to obtain international assistance and funds to meet some of its development programmes. For instance, available records show that Nigeria's first National Development Plan envisaged that 50 percent of the funding for implementing the plan would come from external loans and grants [17], [18].

Invariably, Nigeria's development policies and programmes, and importantly, the country's desire for a role in Africa and the larger comity of nations seem to dictate that the country maintained good and compliant relations with major states and institutions on the global stage. This was the trend in Nigeria's relations with the BWIs for the better part of its nationhood, except for the brief period between 1975 and 1976 and from January 1984 to August 1985 when the military governments attempted to change the country's posture towards international political and economic status quo. Of course, for the larger part of its life, like many of its contemporary ex-colonies, Nigeria was gradually being sucked into international financial diplomacy cycle characterised by dependence on external policy prescriptions and debt accumulation [19], [20], [21].

During the early years of Nigeria's nationhood, particularly the period between 1960 and 1979, Nigeria's relations with the BWIs was warm and mutual because the country's economic fortune and balance of trade from agricultural exports and later from crude oil enabled it to exercise some level of independence and policy autonomy. The country's robust foreign exchange earnings, external reserves and economic potentials at that time meant that the country was not dependent on or at the mercy of the BWIs and major Western countries. The Nigeria-BWIs relations during that period was such that the BWIs provided policy advice, development assistance, loans and grants without necessarily exercising overbearing or prescriptive prerogatives. However, this is not to suggest that the BWIs were not able to influence and perhaps manipulate the policies and directions of the Nigerian government, but to a large extent the relationship was neither "dictatorial" nor "receiver-type" in nature.

The combination of economic mismanagement especially by the civilian administration of President Shagari, and the downturn in the international oil market meant that Nigeria's economic fortune and standing started to decline as from early 1980s. Rampant corruption, poor economic policies and the disposition to accept unscrupulous advise, assistance and loans from creditors and international financial institutions brought a once promising economy to the point of total dependence on external loans and credits. As the country's domestic productivity and external earnings declined, its naïve leaders turned to more assistance and loans from external actors including the BWIs. The implication was a profound change of the balance in Nigeria's relations with the BWIs and other international financial groups such as the London Club and the Paris Club of creditors as from the mid 1980s [22], [23], [24].

Although, the Buhari's military regime that ousted the civilian government in 1983 had attempted to shore up Nigeria's declining economy through various political and economic reform measures, those measures had not yielded adequate results when that administration was cut short by another military coup in August 1985. Unfortunately, the Babangida's administration did not continue with the recovery efforts of the Buhari's administration. Rather it started its own process of political and economic experimentation, while reversing some of the earlier reform measures. The administration also resorted to seeking solutions from the BWIs, including taking more external loans from the World Bank and other multilateral institutions, and implementing the prescriptions of the IMF and World Bank on economic adjustments and reforms for turning around the declining economy. Indeed, one of the hallmarks of the Babangida's era was a disposition to look to major international financial actors such as the World Bank and the IMF for answers to Nigeria's economic woes. This meant engaging with these institutions to address the country's failing credit standing.

However, unlike during the period between 1960 and 1979, Nigeria no longer had the economic wherewithal to exercise independence in its relations with these institutions. As a debtor nation, which is experiencing increasing foreign exchange and balance of payment difficulties, Nigeria was hard-pressed to abide by the dictates of these 'regulators' of international trade and financial transactions. By 1986, the BWIs had prescribed a course of reforms and adjustment treatment which the country should pursue in order to stay credible to engage in international financial transactions and to receive the all-important endorsement of the BWIs. In a 'receiver-type' approach, the IMF recommended that Nigeria adopts the SAP to enable it meet its debt repayment obligations to its creditor and as a precondition for receiving additional financial facilities. However, in reality instead of improving the countries balance of payment situation, SAP's adjustment

measures further led to decline in productivity, capacity utilisation and economic performance across all sectors of the Nigerian economy. In addition, the country continued to sink deeper into the debt trap due to accumulated debt repayment arrears, rising interest rates and other charges. This meant that the country's debt stock continued to grow reaching a whopping US\$33 billion by 1993, and thereby leaving the country completely at the mercy of its creditors [25], [26]. Of course, one should add that continuing corruption and mismanagement by the Babangida's government contributed to the disastrous economic decline.

Accordingly, between 1985 and 1993, the design, implementation and monitoring of SAP and its various reform measures, including currency devaluation, liberalisation, privatisation and deregulation became the key components and determinants in Nigeria's relations with the BWIs. Indeed, from 1985 and arguably until May 1999, compliance and/or non-compliance with the BWIs-prescribed reforms, adjustments and conditionality shaped the country's relations with the BWIs. Unfortunately, the country was grossly at disadvantage in the relationship. The country had the choice as it were to either follow or repudiate those reform prescriptions at the pain of sanctions and blacklisting by these world institutions and their master countries. This was the difficult situation that Abacha's administration had to grapple with when it assumed power in 1993. But unfortunately, throughout its term, not helped by its belligerent posture, the administration had to contend with internal discontents, declining economy, dwindling foreign investment, as well as struggle to repudiate SAP and other IMF/World Bank prescriptions. That struggle was still ongoing when Abacha exited and the Abubakar's and Obasanjo's administrations came to power successively in June 1998 and May 1999 [27], [28].

## **V. NIGERIA'S REFORMS SINCE 1999**

As noted earlier, between 1985 and 1999 the various Nigerian administrations seemed to be engulfed in political and economic problems including declining national productivity and falling foreign exchange earnings due especially to the glut in the world oil market. The civilian government of the Second Republic had recognized that the country faced impending economic crisis before it was overthrown by the military in December 1983 allegedly due to economic mismanagement and widespread corruption. The Shagari's administration had initiated a programme of reform which included a series of measures to control importation, price, inflation and waste in the economy through, import licensing and restrictions, and withdrawal of government subsidies for certain social services etc. Similarly, the Buhari's and Babangida's military administrations also introduced their own variants of reforms. The series of reform initiatives introduced by the successive governments leads one to the conclusion that as from early 1980s, successive administrations acknowledged that the Nigerian economy was in trouble and in need of some form of reform, and that all of them attempted to stop the economic decline and realign the country's economy. The difference was in the extent and character of the reform programmes from one administration to the other [29].

However, amongst the several civilian and military administrations that governed the country between 1979 and 1999, the one whose reform programme was grandiose and had the most significant (though negative) impacts on the Nigerian economy and people was the Babangida's government. The significance of the reform of the Babangida's era between 1985 and 1993 was that the reform measures did not only bring socio-economic hardship on the people, they also eroded and permanently damaged the country's economic superstructure. In addition, given the fact that the Babangida's reform policies were externally prescribed and monitored, the period of the reforms also affected and/or changed Nigeria's relations with BWIs and the major creditor countries in ways that have continued to define the country's relations with these international actors up to the present [30], [31].

When the Babangida's administration abandoned the War Against Indiscipline (WAI) and other socio-economic reform programmes of its predecessors, much of the country was left in the cloud about alternative reform measures it intended to adopt. Indeed, while the Nigerian people were preoccupied with a national debate on whether or not to accept IMF loan and its conditionality, the government had concluded discussions to adopt the World Bank/IMF prescribed SAP. At the domestic level, the introduction of SAP as a fait accompli unleashed a range of economic measures and restrictions on key economic sectors and the citizens alike. The SAP measures range from liberalization of economic activities to privatization of public entities and utilities, and abandonment of the provision of infrastructure and social services such as, education, health, roads, utilities etc. SAP also involved a general reduction in the commitment of the state to the provision and delivery of social services and involvement in key economic sectors where the state had hitherto been a major player.

Other immediate and medium term effects of SAP and its reform measures included, devaluation of the Naira, inflationary jumps in the prices of goods and services, closure of factories and businesses, loss of jobs and capital flight etc. However, for the purpose of this study, the reform measures also had the effect of changing the equation or balance in the relationship between Nigeria and the BWIs, especially the World Bank and IMF. Henceforth, Nigeria could not assert itself as an independent country with the right to choose course(s) of action or policies for the management of its resources, revenue and economy. Officials of the BWIs monitored and issued instructions to the Nigerian government on how to run the economy, how to allocate its resources and what and what not to spend its revenue on. Indeed, the BWIs and the creditor groups determined



how much Nigeria must commit to service its debts and how much is available for the local economy, failing which sanctions, threats and penalties hanged over the country [32], [33].

That was the nature of Nigeria's relations with the BWIs until the Babangida's administration was forced out in August 1993, and replaced temporarily by Chief Sonekan's Interim National Government, and eventually by the military administration of General Abacha. The Abacha's administration did not do much to improve the status-quo of the relationship between Nigeria and the BWIs. Indeed, Abacha's hostile and belligerent posture towards internal and external criticisms meant that Nigeria's relations with the BWIs and most of the Western developed countries, including, the United States and United Kingdom, took turn for the worse. Various economic and political sanctions were imposed on the country by the Western powers, while the IMF and World Bank blacklisted and undermined the country's international financial and trade credibility. One of the main grouse of the BWIs was the fact that the Abacha's administration abandoned their prescribed SAP and economic mentoring.

Although, the 'interlude-government' of General Abdulsalami Abubakar commenced some rapprochement with the IMF and World Bank, Nigeria's relationship with the BWIs had only experienced limited change by the time the Obasanjo's civilian administration came to office in May 1999. Necessarily, amongst other challenges that the Obasanjo's government had to confront were: the all-important tasks of reviving the economy; changing Nigeria's pariah status; and repairing Nigeria's relationship with countries and organisations across the international community. Of course, in order to achieve these tasks, the government would also have to address the matter of country's relationship with the BWIs. Another significant coincidence was that Nigeria's economic wellbeing at that point in time was closely tied to the question of the country's crippling debt burden. Any attempt to address Nigeria's economic problems: revive the economic sectors; improve productivity and capacity utilization; improve infrastructure; and attract foreign investment amongst others; must of necessity also address the country's debt burden and repayment obligations which limits the country's ability to commit resources to critical domestic sectors. To highlight the critical nature of Nigeria's external debt, Obasanjo was quoted as follows:

"The time for an international commitment of deep debt reduction and forgiveness is now. Our foreign debt stands at \$31 billion, and continues to rise, not because of any significant additional borrowing, but mainly as a result of the cost of servicing what was actually borrowed in the past. In these circumstances, it is simply not possible to speak of any significant measure of development, for as long as we are obliged to allocate so much of our lean resources to debt servicing. It is morally unjustifiable for the poor people of Nigeria to suffer any longer." [34]

In some ways, the debt versus economic development scenario appears to be a chicken and egg situation. In order to secure debt rescheduling, relief and/or cancellation that Obasanjo sought, the IMF, World Bank and other creditor groups expects Nigeria to sort out its economy by adopting reforms along the lines that meet their prescription. This implies again that Nigeria's economic revival is tied somehow to its dealings with the creditor nations and institutions, and that the Obasanjo's administration like its predecessors and leaders of other Third World countries must look to the BWIs for the roadmap out of the country's economic morass [35]. However, this time, the IMF and World Bank were no longer recommending SAP. The change in prescription was due to the fact that SAP had been found to be unpopular and unsuccessful, and also because, the BWIs had produced new tools for addressing economic problems in developing countries. Such tools in their arsenal included the PRSP which was promptly recommended to Nigeria for implementation as precondition toward obtaining 'economic health clearance' and possible debt relief and/or forgiveness.

Subsequently, the Obasanjo's administration claimed that the principles and basis of the economic reforms introduced as from 1999 were domestically and independently produced. The reform measures were encapsulated in a national strategy document that became known as the National Economic Empowerment and Development Strategy (NEEDS). The government touted that NEEDS was derived from the urgent requirement for value reorientation, the objective of which is to sound the message clearly that it is not business as usual. The NEEDS document sets out a vision of a Nigeria with a new set of values and principles, which will facilitate the achievements of national goals of wealth creation, employment generation and poverty reduction. The government also claimed that the reforms were the results of wide consultation with the National Assembly, political parties, traditional rulers, religious leaders, labour, civil society, the military, the police, the academia, states and local governments and other stakeholders. However, that argument has failed to persuade many observers who continue to argue that the reforms were based on the BWIs prescriptions. Observers have pointed out for instance that the key writers and implementers of the reforms were also agents and contractors of major BWIs, and that the pillars and ingredients of the reform such as liberalization, privatization, deregulation, and monetary and financial restructuring, all bear resemblance to the reform measures of the infamous SAP. Also importantly, Nigeria entered into a Policy Support Instrument (PSI) agreement with IMF to support the home-grown NEEDS. This effectively gave the IMF the role of a 'supervisor' in the implementation of Nigeria's

reform. Again implying that the reform was closely linked to if not derived from the BWIs and that Nigeria's relations with the BWIs had taken a new twist in the light of the new reforms [36], [37], [38].

Essentially, Obasanjo's reform programmes were broadly aimed at strengthening the economy, redefining the role of government in the economy by de-emphasizing the participation of government in the running of business, and creating an enabling or conducive environment for the private sector to thrive, through legislation, tax regimes and other incentives. Its focus included: public sector reform; governance and political restructuring; transparency, accountability and anticorruption; public service reform; and privatization, liberalization and restructuring of various economic sectors. The broad view was to achieve short-term and long-term poverty reduction, wealth creation, employment generation and value reorientation. Various measures in the reform included tinkering with key public sector institutions, government owned corporations and deregulating financial, insurance and other critical sectors. In addition, state and local governments were persuaded to adopt NEEDS as a way of ensuring that the reform measures and its 'gains' permeates to the grass root of the Nigerian society. The states version of the reform was called the State Economic Empowerment and Development Strategy (SEEDS), while the local government version was tagged Local Economic Empowerment and Development Strategy (LEEDS). The architects of the reforms believe that this trilateral agenda will fashion for Nigeria, "a common ground for all economic agents to interplay, in a healthy and sustainable manner" [39].

The government and several international financial institutions including the IMF applauded the progress made in the implementation of the Nigerian reforms. They observed that productivity and performance in various sectors of the economy have improved significantly, while the level of economic activities as well as the variety of locally produced goods and services have grown since 1999. In addition, the profile of the country has changed and it has become a viable investment and trade destination, attracting foreign direct investment (FDI) from many countries and investors who had hitherto avoided Nigeria. The supporters of the reform also opined that the reform has resulted in significant growth in the country's external trade as well as the diversity of trading partners and investors who are now willing to do business in the country. For instance, statistics released by government officials and touted in BWIs reports indicated that the country's annual real GDP growth has consistently been over 5 percent since 2003 and FDI flow into the country has grown cumulatively to US\$35 billion between June 1999 and July 2005. These they claim, are some of the indicators of the progress made in the domestic economy since 1999. In addition, the government claimed that the reform has had positive impact on the country's relations with major international economic and financial platforms, earning the country better ratings by various international economic and financial institutions [40], [41].

By 2003 emboldened by the 'successes' of the reform and its compliance with the prescriptions of the BWIs, Nigeria started to make an agitated case to be considered for some form of debt relief under the Highly Indebted Poor Countries (HIPC) and other debt relief arrangements being discussed by the BWIs and the creditor groups. The country cited examples of other countries that have been considered under similar conditions and also argued that Nigeria's reform programmes have yielded results and as such the country was ripe to be considered for debt concessions along with others. Nigeria's appeal eventually yielded result when the Paris Club granted Nigeria a debt reduction under the Naples Terms through an agreement signed in October 2005. The agreement gives Nigeria a total debt cancellation of about US\$18 billion (including moratorium interest) representing an overall cancellation of about 60 percent of its debt to the Paris Club. In return the country was obliged to pay the Paris Club creditors a total of US\$12.4 billion, representing regularization of arrears of US\$6.3 billion, and a balance of US\$6.1 billion. The singular achievement of the debt relief of that magnitude was attributed to the success of Nigeria's reform programmes at least in the sight of the BWIs, and was also claimed to signify a radical improvement in the relationship between Nigeria and these multilateral institutions [42], [43], [44].

Commending the progress and positive achievements of Nigeria's reform programme, the IMF noted that:

"the ambitious structural reform agenda continues to progress. Most structural measures for the fourth review were implemented on time; three of five assessment criteria and all benchmark measures were completed on schedule. Two waivers are requested. The authorities brought to completion a number of measures delayed from the third review. ... Macroeconomic policy was pivotal in driving favorable economic outcomes during the 2005-07 PSI that concludes with this review. Robust non-oil sector growth, significantly strengthened fiscal and external positions, improved confidence and reduced inflation are among the most important outcomes that surpassed the original program goals. While a favorable external environment helped, improved fiscal policy and particularly the use of an oil price fiscal rule was critical to securing these gains. Progress toward the MDGs needs to accelerate" [45].

Similarly, Obasanjo acknowledged what he considered significant accomplishments of the reform and the role of the country's foreign partners in it:

"We acknowledge, with deep appreciation the consistent support of our foreign partners over the last four years. Beginning with expression of faith in our transition, these partners have since welcomed us back into the comity of nations, where our honour has been fully restored, and we are now fully respected, as we discharge our obligations consistent with our foreign policy. We thank those foreign investors who have followed with substantial investment in our future and raised our profile for many others who are yet to come in"[46].

However, observers have continued to raise questions as to whether the implementation of the reforms and progress made in domestic restructuring since 1999, as well outcomes of the debt relief agreement with the Paris Club have actually resulted in improvement in the economic well being of Nigerians? This is because of concerns that the reforms may have only resulted in statistical improvement that satisfies the government and its multilateral institutions 'masters' only, while leaving unchanged or even worsening the fate of many ordinary Nigerians who still face the burden of unemployment, lack of basic infrastructure and rising costs of living. Indeed, to some observers of the Nigerian situation the much-hyped debt relief does not appear to bring much relief and is tied to the punitive reform programmes. Referring to Nigeria and the Paris Club deal, Africa Action, an international non-governmental organisation noted that:

"Under the terms of this deal, the Paris Club will cancel \$18 billion of Nigeria's \$36 billion external debt, but in return, Nigeria will be forced to pay \$12 billion on debt service over the next two years. Additionally, Nigeria owes about \$6 billion in commercial and multilateral debt, which is not part of the Paris Club arrangement. Like the recent Group of 8 (G-8) commitment on multilateral debt cancellation for 14 African countries, this deal for Nigeria falls far short of 100% cancellation and is conditioned on harmful economic reforms" [47].

This rightly confirms that there is a strong link between Nigeria's reforms and its relationship with the BWIs and other creditor groups and that the debt relief is not necessarily an altruistic gesture that it is said to be. Key officials have similarly admitted that the debt relief is recognition of progress in the country's reforms and relations with the BWIs. In his speech to the joint session of the National Assembly in December 2005, Obasanjo highlighted the linkage between Nigeria's reform, debt cancellation and the country's relationship with the BWIs and Western creditor nations when he said:

"With regard to the reform program, 2005 was a year of remarkable achievement. Key among these was our successful negotiation to shed our \$30billion Paris Club debt burden through an unprecedented debt write-off of \$18billion by the Paris Club and our buy back of the balance of the debt affording us a complete exit from the Paris Club" [48].

## **VI. NIGERIA AND THE BRETTON WOODS INSTITUTIONS SINCE 1999**

As noted earlier, before Obasanjo's civilian administration came to power in May 1999, the Abubakar's government which filled the void between Abacha and democratic rule had initiated dialogue with the IMF and other institutions with a view to revamping the country's relations with the BWIs. In that direction, and in recognition of the internal and external challenges facing it, the Obasanjo's government continued and reinvigorated the effort to refocus and repair Nigeria's relations with major Western countries and multilateral institutions. Over the period from 1999 to 2007, the regime managed to accomplish a remarkable transformation of the profile and image of Nigeria. This was done together with the reactivation of the country's foreign policy objectives and its standing and relations at multilateral and bilateral levels.

The administration created rapprochement with many states and reopened relations that have gone cold since the mid-1990s. This was done to gain the confidence of the international community and foster cordial relations that are necessary in pursuit of the country's vital interests. The initiatives involved a range of high level diplomatic engagements, bilateral summits and state visits aimed at achieving the reintegration of Nigeria back into the folds of the international community. The various diplomatic moves and 'globetrotting' seemed to help Nigeria in addressing various external relations problems including its relations with the BWIs and resolution of the country's debt burden. Of course, the diplomacy was accompanied by a willingness and commitment to return the country to its traditional compliant posture. The government did not hide the fact that it was ready to follow and implement the prescriptions and conditionality issued by the BWIs and their master countries. The pursuit of comprehensive economic reform through measures such as: liberalization of the economy, deregulation of economic sectors and privatization etc., became the criteria on which Nigeria's relations with the BWIs and Western countries depended [49].

Ignoring all criticisms, between 1999 and 2007, the Obasanjo's government religiously pursued the commitment to economic reforms and cautiously nurtured its relations with the BWIs believing that their endorsement and approval is important (even critical) to the government's vision for a better Nigeria. With respect to Nigeria's debt burden in particular, Obasanjo was convinced that a good, friendly, compliance and probably docile relationship with the BWIs and their master countries was important if Nigeria was to receive

the debt forgiveness that it wanted so badly. For instance, reviewing Nigeria's reform programme under NEEDS, an IMF report concluded that:

"The NEEDS shows that the authorities have identified those reforms that will improve the investment climate and correct for past policy mistakes.... with the right policies, Nigeria can achieve higher per capita growth, and make significant progress in lowering poverty. The main challenge facing Nigeria's policymakers is to persevere and implement the reform agenda consistently"[50].

Of course many local and international observers have criticised the posture of the Obasanjo's government towards the BWIs, citing various disadvantages of the posture to Nigeria's national interests. However, looking at what Obasanjo's government accomplished in terms of economic activities, foreign reserves and debt relief, it would seem that the end has justified the means. By stooping to comply with all the prescriptions of the BWIs, Obasanjo seems to have succeeded in getting the BWIs endorsement on many fronts and restored the standing of the country before the BWIs. Again, critics would argue that the debt relief and the friendly relations that Nigeria enjoyed with the BWIs during Obasanjo's administration seem have come at a very high price [51], [52].

## VII. CONCLUSIONS

The oil boom of the early 1970s brought Nigeria considerable resources, but the erroneous calculation of the Nigerian leadership at that time was that the economic good times would persist. That thinking set the tone for wasteful use of the country's national earnings by successive governments during economic booms and even during recessions. Over the years, the country has accumulated huge external debt and with it the albatross of doing the biddings and prescriptions of its creditors. Accordingly, poor leadership and mismanagement of Nigeria's economic affairs have forced the country to embrace the international financial system and institutions in an unequal relationship which demands that it must be compliant and conformist.

Once the country had fallen on economic hard times and succumbed to the seduction of international credit finance, externally induced, prescribed and/or otherwise mandated reforms and restructuring measures and programmes have become a constant elements of successive governments. Although, there were occasions when some administrations have attempted to change the status quo and nature of Nigeria's relations with the BWIs and major Western powers, the country's economic helplessness and debt obligations have always forced it back to its traditional conformist posture. Thus, this study finds that Nigeria's relations with the BWIs and the country's seemingly endless rounds of reforms are linked and could be described in some way as the causes and symptoms of the same afflictions.

It could be concluded therefore, that while the nature of Nigeria's economic system and economic reform programmes may have been different from one government to the other, since the mid 1980s, the various reforms adopted by successive governments have been linked to and/or influenced by the country's relations with the BWIs and their master countries. However, of all the reform programmes under different governments, the one implemented by Obasanjo's administrations between 1999 and 2007 appears to be closely linked to and have the greatest impact on the country's relations with the BWIs and perhaps the entire international community. Of course, there remains the debate whether the reform programmes and the conduct of Nigeria's relations with the BWIs have resulted in positive and commensurate benefits for the country.

## REFERENCES

- [1] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [2] H. Saliu, Nigeria's external image, *Nigerian Journal of International Affairs*, Vol.28, No.1 & 2, 2002.
- [3] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [4] R. Umoreu, *Economic reforms and Nigeria's political crisis* Ibadan: Spectrum Publishers, 2001.
- [5] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [6] W.A. Fawole, *Paranoia, Hostility and Defiance: General Sani Abacha and the New Nigerian Foreign Policy* Ile Ife: OAU Press Limited, 1999.
- [7] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [8] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [9] C.C. Soludo, From a pariah, failed state to an emerging market economy: the Obasanjo legacy and challenges ahead, paper delivered at the Nigeria Development Forum held on 14 May, 2007, Abuja. <http://www.cenbank.org/out/speeches/2007/govadd14-5-07.pdf>
- [10] International Monetary Fund, The IMF at a Glance, A Factsheet, October 2007, accessed 5, June 2008 at <http://www.imf.org/external/np/exr/facts/glance.htm>

- [11] International Monetary Fund, The IMF at a Glance, A Factsheet, October 2007, accessed 5, June 2008 at <http://www.imf.org/external/np/exr/facts/glance.htm>
- [12] World Development Movement, *One size for all: a study of IMF and World Bank poverty reduction strategies* London: World Development Movement, 2005.
- [13] The World Bank, Overview information on Nigeria, accessed 5, June 2008 at <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/NIGERIAEXTN/0,,menuPK:368904~pagePK:141132~piPK:141121~theSitePK:368896,00.html>
- [14] International Financial Corporation, Doing business with IFC, accessed 5, June 2008 at [http://www.ifc.org/ifcext/about.nsf/AttachmentsByTitle/Doing\\_Business\\_FactSheet/\\$FILE/Doing\\_Business\\_FactSheet.pdf](http://www.ifc.org/ifcext/about.nsf/AttachmentsByTitle/Doing_Business_FactSheet/$FILE/Doing_Business_FactSheet.pdf)
- [15] Multilateral Investment Guarantee Agency, About MIGA, accessed 5, June 2008 at [http://www.miga.org/about/index\\_sv.cfm?stid=1588](http://www.miga.org/about/index_sv.cfm?stid=1588)
- [16] International Centre for Settlement of Investment Disputes, About ICSID, accessed 5, June 2008 at [http://icsid.worldbank.org/ICSID/ICSID/AboutICSID\\_Home.jsp](http://icsid.worldbank.org/ICSID/ICSID/AboutICSID_Home.jsp)
- [17] Ibrahim Ayagi, *The Trapped Economy*, Ibadan: Heinemann, 1990.
- [18] C.N. Nwoke, An overview of Nigeria's international economic relations, in R.A. Akindele and B.E. Ate eds. *Selected readings on Nigeria's foreign policy and international relations*, NIIA Enlightenment Course Series, Vol. 1, No.1, Lagos: Nigerian Institute of International Affairs and Vantage Publishers, 2000.
- [19] B. Badejo, Economic diplomacy in a trapped economy: assumptions and prospects of the Nigerian experience, in U.J. Ogwu, and A. Olukoshi eds. *Economic Diplomacy in the Contemporary World and the Nigerian Experience, Special Issue of the Nigerian Journal of International Studies*, Vol.15, No. 1 & 2, 1991.
- [20] M.O. Ojo, Africa's debt burden in historical perspective, *Central Bank of Nigeria Economic and Finance Review* 32(2), 1995.
- [21] M.I. Obadan, *Foreign capital flows and external debt: perspectives on Nigeria and the LDCs group* Lagos: Broadway Press Limited, 2004.
- [22] A.O. Olukoshi, The role of the International Monetary Fund and the World Bank in the management of Nigeria's foreign debt, in A.O. Olukoshi, (ed.) *Nigerian external debt crisis: its management* London: Malthouse Press Limited, 1990.
- [23] A. Ahmed-Hameed, The Paris and London clubs in Nigeria's debt profile, in U.J. Ogwu and W.O. Alli (eds.) *Debt relief in Nigeria's diplomacy* Lagos: Nigerian Institute of International Affairs, 2006.
- [24] M.I. Obadan, *Foreign capital flows and external debt: perspectives on Nigeria and the LDCs group* Lagos: Broadway Press Limited, 2004.
- [25] S.B. Falegan, *Nigeria's external debt burden* Ibadan: Fountain Publications, 1992.
- [26] M.O. Ojo, Africa's debt burden in historical perspective, *Central Bank of Nigeria Economic and Finance Review* 32(2), 1995.
- [27] R. Umoreu, *Economic reforms and Nigeria's political crisis* Ibadan: Spectrum Publishers, 2001.
- [28] W.A. Fawole, *Paranoia, Hostility and Defiance: General Sani Abacha and the New Nigerian Foreign Policy* Ile Ife: OAU Press Limited, 1999.
- [29] [H.A. Saliu and S.J. Omotola Foreign policy and development: a comparative note on Shagari's and Obasanjo's governments, in H.A. Saliu et al. (eds.) *Democracy and development in Nigeria: social issues and external relations* Lagos: Concept Publications, Vol.3, 2006.
- [30] W.O. Alli, The rise and fall of Nigeria's diplomacy in Africa, *Development Studies Review* Vol. V. Nos. 1 & 2, 2000.
- [31] R. Umoreu, *Economic reforms and Nigeria's political crisis* Ibadan: Spectrum Publishers, 2001.
- [32] A.O. Olukoshi, The role of the International Monetary Fund and the World Bank in the management of Nigeria's foreign debt, in A.O. Olukoshi, (ed.) *Nigerian external debt crisis: its management* London: Malthouse Press Limited, 1990.
- [33] [C.N. Nwoke, An overview of Nigeria's international economic relations, in R.A. Akindele and B.E. Ate eds. *Selected readings on Nigeria's foreign policy and international relations*, NIIA Enlightenment Course Series, Vol. 1, No.1, Lagos: Nigerian Institute of International Affairs and Vantage Publishers, 2000.
- [34] Jubilee 2000, President Obasanjo appeals for immediate debt relief for Nigeria, accessed 10, May 2008 at <http://www.odiousdebts.org/odiousdebts/index.cfm?DSP=content&ContentID=330>
- [35] T. Jones and P. Hardstaff, *Denying democracy: How the IMF and World Bank take power from people* London: World Development Movement, 2005.
- [36] T. Jones and P. Hardstaff, *Denying democracy: How the IMF and World Bank take power from people* London: World Development Movement, 2005.

- [37] C.C. Soludo, From a pariah, failed state to an emerging market economy: the Obasanjo legacy and challenges ahead, paper delivered at the Nigeria Development Forum held on 14 May, 2007, Abuja. <http://www.cenbank.org/out/speeches/2007/govadd14-5-07.pdf>
- [38] World Development Movement, *One size for all: a study of IMF and World Bank poverty reduction strategies* London: World Development Movement, 2005.
- [39] S. Usman, Nigeria's economic reforms past, present and future, paper presented at the National Defence College, Abuja, 9 November, 2007.
- [40] C.C. Soludo, From a pariah, failed state to an emerging market economy: the Obasanjo legacy and challenges ahead, paper delivered at the Nigeria Development Forum held on 14 May, 2007, Abuja. <http://www.cenbank.org/out/speeches/2007/govadd14-5-07.pdf>
- [41] S. Usman, Nigeria's economic reforms past, present and future, paper presented at the National Defence College, Abuja, 9 November, 2007.
- [42] A. Ahmed-Hameed, The Paris and London clubs in Nigeria's debt profile, in U.J. Ogwu and W.O. Alli (eds.) *Debt relief in Nigeria's diplomacy* Lagos: Nigerian Institute of International Affairs, 2006.
- [43] O. Oche, The Obasanjo administration and the diplomacy of debt relief, in U.J. Ogwu and W.O. Alli (eds.) *Debt relief in Nigeria's diplomacy* Lagos: Nigerian Institute of International Affairs, 2006.
- [44] C.C. Soludo, From a pariah, failed state to an emerging market economy: the Obasanjo legacy and challenges ahead, paper delivered at the Nigeria Development Forum held on 14 May, 2007, Abuja. <http://www.cenbank.org/out/speeches/2007/govadd14-5-07.pdf>
- [45] International Monetary Fund, The IMF at a Glance, A Factsheet, October 2007, accessed 5, June 2008 at <http://www.imf.org/external/np/exr/facts/glance.htm>
- [46] O. Obasanjo, O. (2003) We will heal Nigeria: inaugural speech at Eagle Square, Abuja on May 29 2003, in U.J. Ogwu et al. *Years of Reconstruction: Selected Foreign Policy Speeches of Olusegun Obasanjo* Lagos: Nigerian Institute of International Affairs, 2007.
- [47] Africa Action, Paris Club deal for Nigeria not enough, accessed 5, June 2008 at <http://www.africapolicy.org/action/debt.htm>
- [48] O. Obasanjo, 2006 Budget Speech at the Joint Session of the National Assembly on Tuesday, 6 December, 2005, access 10, May 2008 at <http://www.nigeria.gov.ng>
- [49] T. Jones and P. Hardstaff, *Denying democracy: How the IMF and World Bank take power from people* London: World Development Movement, 2005.
- [50] M. Katz, et al. Nigeria: selected issues and statistical appendix, IMF Country Report No. 05/303 Washington D.C: IMF, 2005.
- [51] <http://www.africapolicy.org/action/debt.htm>
- [52] A. Ahmed-Hameed, The Paris and London clubs in Nigeria's debt profile, in U.J. Ogwu and W.O. Alli (eds.) *Debt relief in Nigeria's diplomacy* Lagos: Nigerian Institute of International Affairs, 2006.