Globalization and the Retrenchment of an African Economy: Revisiting Post - $18 Billion Debt Cancellation in Nigeria

by

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This paper argues that the embedded neo-colonialist exploits of globalization retrenches the Nigerian economy rather than strengthening it – thereby creating new threats to human security and development. Specifically, pre and post - $18 billion (USD) debt cancellation Nigeria reels in economic strangulation engendered by global capital. Globalization, viewed as a force of inequality and marginalization constitutes a dividing factor between the developed and developing countries. We seek to concretize the view that despite the excitement generated by globalization as invitation to a world that is increasingly interconnected and borderless, Nigeria (like other African countries) comes out at a disadvantage. Whereas Nigeria has made and is making enormous contributions to the global economy, yet, it remains at the receiving end of the side effects rather than through the gains of globalization with mounting debt profile, capital flight, local industry collapse, galloping inflation, weak currency, over-dependence on imported goods and services, mono-product economy, etc. Hence, the Western allies encourage Nigeria to open the economy for rape, although she has insignificant access to other economies because she lacks the competitive advantage; due in part to bad leadership engendered wittingly or unwittingly by developed world partners.

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Introduction

Several questions have been asked:[1] How can we understand globalization vis-à-vis Nigerian socio-political and economic practice? In other words, can globalization bring Nigeria significant socio-political and economic benefit? How do we relate globalization to the issues of debt relief, cancellation or forgiveness? Has globalization transformed the lives and livelihood of the Nigerian people? Is Nigeria well prepared to reap the perceived gains of globalization? Whose interest is the concept protecting in the Nigerian-Western countries nexus? These questions evoking many answers, all vigorously contested and forcefully held.[2] Glogalization has become one concept that is riddled with contradictions and ambiguities. Amidst this uncertainty, it is clearly established[3] that globalization is creating new threats to human security and development in rich and poor countries; and also poses a number of challenges African Political Science must address. [4]

This paper is predicated on the assumption that globalization carries a form of inequality and marginalization, and although, an outstanding development in human history, its nature and character, purpose and finality do not favour Nigeria as a developing country. Rather than strengthening the Nigerian economy, globalization seeks to retrench it, thus Nigeria enters the global market at a competitive disadvantage as a largely mono-product economy with a weak currency, shrinking indigenous industrial space, mounting debt profile, corruption-infested political and economic climate. This unacceptable posturing imposes a systematic dispossession and exploitation of initiatives and resources, and squeezes her into a position of a highly indebted country begging for debt cancellation which only comes with conditions that further aggravates its economic fragility and opens it up for further debt accumulation. In its present condition, Nigeria seems to have no choice than to accept the dumping of several finished products in its market thereby leading to a massive collapse of local industries and the surreptitious elevation of its economy to the position of a service economy.

Breif Historical Underpinnings

The word globalization, though relatively new is part of a historical continuum, began about six centuries ago, and every discovery and advancement in the technological and scientific world has impacted on its evolution. The examples of the railway, marine transport technology, air technology, telegraph, e-mail and now the Internet ensures faster and more efficient movement of goods and services. This development in Western technologies opened up Africa and exposed it to the destructive impact of colonialism[5]. The colonialists came to Africa and put in place a system of government and trade that displaced the organized procedures and principles of the African people.

Colonialism was accompanied by the exploitation of human and material resources in an inexplicable magnitude, hence Africa has entered the global village at a competitive disadvantage wherein its products were traded without bargain, and buyers fixed prices for the supposed sellers, and the period between 1870 and 1915 became known as the "Age of Empire", a period when competition for sphere of influence and colonial space was driven by the exploitative desires of the West in dire need of raw materials and cheap labor attracted great importance to colonialism, and the deceptive acronym widely known as the *civilianizing mission*. In process, as the exploiters, they were confronted with intellectual guilt and sought to rationalize their rape of African human and material resources, and pretended that Africa needs a new form of government that would encourage liberal virtues, enlivens debate, accommodates criticisms and promote succession through the power of the ballot rather than by ancestral means, or might.

At the turn of the 1940s and the advent of the Second World War, a renewal of globalization masked as internationalism came with the birth of the United Nations Organization (UNO), designed to promote universal membership and seek a just resolution to the Second World War to maintain world peace through collective effort. However, the colonies of Africa, including Nigeria, were never part of the deal, but simply integrated in turns at political independence. The UNO presented the world with the global village concept, designed to build a better world through basic fundamental methodologies such as tolerance, justice, and the oneness and dignity of humanity.

Globalization and the Nigerian Economy

Nigeria, Africa's most populous country has an estimated population of about 120 million people, emerged from the civil war of 1967 – 1970 with a devastated economy, however a meaningful recovery process started with the advent of petroleum in the mid-1970s. The economy was basically agrarian; the relative share of agriculture, livestock, forestry and fishing which was 65.6% in 1960-1961 has declined with the agricultural sub sector accounting for only 32% per annum in the 1990s despite the fact that the sector still constitutes the source of employment and livelihood for about three-quarters of the population, 70-75%. Up until early 1980, Nigeria had a reasonable amount of foreign reserve with a insignificant record of foreign debt. Its currency, the Naira was competing strongly with other foreign currencies, yet by mid-1980s the economy started declining as foreign reserves became almost exhausted, and foreign debt started accumulating at an alarming rate as the naira lost its value in exchange with other currencies[6].

The *World Bank World Development Report* indicated that the country's gross domestic product (GDP) in 1980 was US $91.13 billion, which puts it as the 20th on rank in terms of GDP size. From 1986 – 1987, the country was hit by the triple disaster of political instability, economic stagnation and the pursuance of inappropriate and ill-fated structural adjustment programs. This devalued the currency, assets and productive resources available for use, and left the country economic managers with the problems of: [7] correcting any distortion affecting any of the four major prices-exchange rate, interest rate, and domestic price level and wage rate; avoiding regression in employment and external balance; avoiding devaluation (although devaluation makes good politics in the short run, it is at the same time dangerous on the long run), and creating an incentive and opportunity system as a way of improving the economy.

In this process, the level of industrialization and technology development is so low that it whittles the competitiveness of the economy in a globalized world to the point that foreign actors would have to give more, and have little or nothing to receive, since globalization is the channel of redistributing technology. This is to say that with the challenges of industrialization and technology development, the Nigerian economy is posed to encounter a Herculean task effecting globalization transactions aimed to Nigeria's advantage.

The lack of zeal of domestic corporate executives to engage investment in the industrial sector exposes finance capital to the hazard of foreign invasion, which implies that foreign investors could take this advantage to expropriate the wealth of the nation, and thus hamper the strength of the Nigerian economy because capital is mobile, and globalization is about interconnectedness and interdependence as the finance capital available in the economy is being moved at will to the economy of other states. Thus, globalization has brought about the domination of the Nigerian economy since its basic export is woven around raw materials (the basis for production and further production), whereas export in Nigeria promotes economic diversification abroad and restricts diversification in the domestic setting, placing the Nigerian economy in an uncompetitive space in the global trade circle.

Debt Servicing Profile and Illusion of Globalization

Globalization is at best an illusion in view of the high indebtedness of the countries of the South. The debt-servicing scheme has virtually created a perpetual debtor in the less developed countries, and has dehydrated the national economy and stultified growth, which erodes the much-taunted gains of globalizations. Using Nigeria as example, it is no news that the servicing of the nation's external debt had severely encroached on resources available for investment, growth, socio-economic development and poverty alleviation. [8]

And although since 1986, the nation had taken a decision to limit debt service to not more than 30 per cent of oil receipts, it has not brought much relief as external debt overhang, adversely affecting the inflow of foreign capital investment.

Summary of Debt Service 1999 to 2002 ($Million)

State	Amount Paid (1999 – 2001)	Amount Due in 2002	Percentage share of Total	Proportionate Share in 2002 Budget
Abia	80,691,026.10	58,148,014.16	1.89	28,396,825.99
Adamawa	13,361,324.67	24,169,909.18	0.79	11,803,328.30
Akwa Ibom	30,025387.28	15,820,306.05	0.52	7,725,912.65
Anambra	41,485,237.57	16,190,829.87	0.53	7,906,859.51
Bauchi	40,975,756.94	12,247,292.19	0.40	5,981,016.38
Bayelsa	11,505,468.13	12,340,696.35	0.40	6,026,630.69
Benue	25,151,092.15	24,076,429.79	0.78	11,757,825.22
Borno	21,340,207.15	13,611,688.65	0.44	6,647,324.12
Cross River	19,492,481.15	7,906,405.23	0.26	3,861,126.07
Delta	26,231,359.08	14,424,142.12	0.47	7,044,090.15
Ebonyi	25,377,742.96	20,385,252.60	0.66	9,955,223.40
Edo	39,222,905.60	28,553,453.24	0.93	13,944,198.35
Ekiti	23,107,727.97	12,441,121.07	0.41	6,075,673.52
Ekiti	52,010,742.06	33,975,691.69	0.11	16,592,171.18
Gombe	15,875,865.13	11,545,884.87	0.38	5,638,481.18
Imo	59,069,037.07	36,903,600.47	1.20	18,022,027.68
Jigawa	15,200,404.90	8,456,062.82	0.28	4,129,553.66
Kaduna	14,993,465.36	2,785,913.02	0.09	1,360,512.28
Kano	21,434,690.38	8,994,390.71	0.29	4,392,448.33
Katsina	9,266,587.30	2,467,390.09	0.08	1,205,060.87
Kebbi	15,347,822.41	6,899,786.16	0.22	3,369,539.44
Kogi	21,540,065.37	34,081,796.94	1.11	16,643,988.13
Kwara	23,463,178.58	31,413,371.78	1.02	15,341,095.71
Lagos	136,586,502.66	52,073,918.58	1.70	25,430,516.00
Nassarawa	39,588.594.38	10,709,535.56	0.35	5,230,046.50
Niger	47,089,723.80	53,342,945.17	1.74	29,050,250.45
Ogun	22,751,720.20	22,675,693.79	0.74	11,073,769.93
Ondo	26,178,333.83	111,408,043.52	0.37	5,571,165.78

Osun	16,483,489.84	26,047,828.89	0.85	12,720,566.22
Oyo	52,168,492.81	17,444,071.59	0.57	8,518,885.29
Plateau	58,977,630.19	45,970,051.22	1.50	22,449,666.84
Rivers	17,689,761.84	16,098,171.59	0.52	7,861,609.45
Sokoto	42,478,858.85	15,703,771.76	0.51	7,669,002.64
Taraba	16,323,555.03	15,185,810.19	0.49	7,416,053.94
Yobe	6,190,580.40	3,996,121.74	0.13	1,951,522.77
Zamfara	11,625,702.17	4,266,249.20	0.14	2,083,440.64
Total for States	1,140,302,526.31	732,762,042.75	23.86	357,847,409.27
Fed. Govt.	4,428,777,473.69	2,338,779,166.30	76.14	11,142,152,590.73
Total	5,569,080,000.00	3,071,541,209.05	100.00	1,500,000,000.00

Source: Debt Management Office. This is also reproduced in *The Guardian*, January 1, 2003.

The picture created by this debt service regime is that any attempt to underestimate the crucial linkage between debt, growth, development and poverty reduction will create a distorted view of globalization and its side effects. [9] One of these is the unenviable role of the lowest rate possible. Typically, as noted by Akin Arikawe[10] such a conflict of interest causes excess volatility in interest rates, as the Central Bank of Nigeria (CBN) swings back and forth between holding down interest rates in order to borrow money as inexpensively as possible, and raising interest rates in order to control inflation and defend the exchange rate of the naira. [11]

The $18 Billion Debt Cancellation Deal

From a paltry debt stock of $ 1 billion in 1971, Nigeria had towards the end of 2005 incurred close to $40 billion debt with over $30 billion of the amount owed to the Paris Club (an informal group of official creditors who find co-ordinated and sustainable solutions to the payment difficulties experienced by debtor nations) alone. Although, Nigeria's debt was more than the total of those of the 18 other poor countries (14 of them African countries) classified as Heavily Indebted Poor Countries (HIPCs), it had been a Herculean task convincing the creditors that debt cancellation was the most desirable option. Prior to Nigeria's $18 billion debt cancellation deal, these eighteen other poor countries i.e. Benin Republic, Bolivia, Burkina-Faso, Ethiopia, Ghana, Guyana, Honduras, Madagascar, Mali, Mauritania, Mozambique, Nicaragua, Niger, Rwanda, Senegal, Tanzania, Uganda and Zambia had secured a 100 percent debt cancellation totaling $40 billion. [12]

The Nigerian President, Olusegun Obasanjo had waged a six-year war on debt cancellation wherein he hired Nigerian-born former World Bank official Ngozi Okonjo-Iweala as Finance Minister to prosecute the *war*. In their bid, they joined several other anti-poverty campaigners to argue that by so doing, the Group of 8 (G8) countries will be stopping 30,000 children from dying each day of hunger, lack of clean water and diseases (Christian Science Monitor as cited in *Time* magazine) [13]. The argument is that the poor countries of the world pay over $100 million dollars everyday as interest alone on loans which kept pilling. Before the debt cancellation deal, Nigeria was to pay a whopping $2.3 billion every year on debt servicing. This amounted to $32 billion between 1985 and 2001 alone[14].

At the Gleneagles meeting, Britain's campaign that something must be done about the debt burden worked. World leaders saw reason, but tied debt forgiveness to good governance. President Bush for instance canvassed a partnership with Africa that is different from a relationship of "check-writer". As he said, "We have got obligations and so do people we are trying to help" [15].

According to the Centre for Global Development (CGD), Nigeria's actual borrowing in the 1970s was $2.1 billion. The monumental debt build up was substantially due to highly controversial interest rates regime and penalties for not meeting attendant obligations. After intense negotiation, Nigeria was classified into the 60% debt forgiveness zone. The creditor nations felt Nigeria was not in the 100% zone of countries rated as extremely poor. Nigeria's rich potentialities in natural resources and the oil deposit accounted for this feeling. Mrs. Okonjo-Iweala collaborated with her former World Bank colleagues now working with the Centre for Global Development (especially Nancy Bedsol an Todd Morse) [16] to ensure that Nigeria was able to borrow from both the concenssional arm of the Paris Club – the International Development Association (IDA) rather than the Commercial arm – the IBRD. With the reclassification as an IDA – only – country, the proposal for 67% reduction was tabled. Nigeria's perception as having worked hard in the last few years to enthrone sustainable economic development was then used to secure the debt relief.

The debt relief was simply put: pay $12 billion to buy back $18 billion and exit Paris Club. The details as provided by the Nigerian Finance Minister[17] included the idea that paying back $18 billion for the next 23 years would no longer be required. Also, the $1 billion allocated to debt servicing annually can now be plough back to developing critical sector of the economy. Noteworthy, paying the $30 billion over a period of 23 years would have amounted to paying a total sum of $50 billion in the final analysis.

Whichever of the options taken, Nigeria would still have to pay about $5 billion owed another group of creditors the London Club (an informal group of private creditors that reschedules commercial debt).

The Politics of Debt Reduction, Cancellation and, or Forgiveness

> *The $18 billion debt cancellation for Nigeria is good but is less good than it should be. The creditors are nasty and stingy. To extract $12 billion immediately from a country with an annual budget of $3 - $4 billion is callous. Why would they be demanding so much from a country where children are dying, millions are not in school and hunger and disease pervade?* [18]

This testament of dubious debt relief or cancellation package espoused by Professor Jeffrey D. Sachs, Professor of Economics and Director of the Earth Institute at Colombia University captures the perfidious attempt of the Paris Club and other Bretton Wood institutions to ensure the retrenchment of the Nigerian economy – an economy assessed to be of great potentialities but approached with debilitating economic policies surreptitiously packaged as contributions to getting a reprieve.

The history of Nigeria mounting debt profile can hardly exonerate its decades of misrule and the continued recklessness of its leadership. As can be gleaned from the table below, Nigeria debt stock in 1971 was $1 billion. By 1991, it has risen to $33.4 billion, and rather than decrease, it has been on the increase, particularly with the insurmountable regime of debt servicing and the insatiable desire of political leaders to obtain frivolous loans for the execution of dubious projects.

Year	*Total Debt stock USD $Billion*
1971	1.0
1972	1.0
1973	1.7
1974	1.8
1975	1.7
1976	1.3
1977	3.2
1978	5.1
1979	6.2
1980	8.9
1981	11.4
1982	12.0
1983	17.6
1984	17.8
1985	18.6
1986	22.2
1987	29.0
1988	29.6
1989	30.1
1990	33.4
1991	35.5
1992	29.0
1993	30.7
1994	33.1
1995	34.0
1996	31.4
1997	28.4
1998	Not Available
1999	28.7
2000	31.935
2001	Not Available
2002	Not Available
2003	32.916
2004 (June)	More than 34.0
2005 (December)	More than 35.0

The Paris Club debt cancellation deal of 2005 was to the effect that poverty stricken Nigeria would cough out $12 billion to buy its exit from a $30 billion debt trap. It can be deduced, and rightly too that the creditor nations have come to realise that the debt profile of close to $40 billion had become not only unmanageable but unpayable despite Nigeria's rich economic potentials. It was therefore logical to write-off a significant part contingent upon instant payment of the balance – a whopping $12 billion. It was also evident that with the meager annual budgetary allocation of $1 billion to debt servicing[20], Nigeria would probably remain in the high debt profile zone forever and the interest rate regime would compound the crisis to an unmanageable proportion.

It would be recalled that shortly before the $18 billion cancellation deal, members of the Nigerian National Assembly had voted to advise the executive arm of government to discontinue payment or servicing of the debt.

Although, this would have carried severe penalty, the Paris Club sensing the danger ahead, and knowing fully well that the entire debt portfolio is nothing but the interests that have accrued over the years took the most sensible path for recovering the money.

After the $18 billion debt cancellation, Nigeria may soon return back to the group of highly indebted countries for some reasons: (1) the political leaders are unable to resist the temptation not to borrow because of pecuniary interests, and some of the money borrowed never fully go into executing the projects for which they were meant; (2) there is no serious legal instrument to regulate external debt accumulation, and where one exists, its currently being canvassed (it has always been very easy to circumvent it and borrow; (3) the seeming magnanimity of the Paris Club and her Western allies constitute a half way measure. For instance, how can we understand partial debt cancellation that is not matched with unfettered access of African economy and its products to Western markets? Instead, what we have is restricted and guided access coupled with inconsequential aid regime; (4) the aid regime has remained inconsequential, and adduced that the rich world has given Africa around $1 trillion over the past four decades.[21] If this is significant, why has Africa remained poorer? Many have argued and partly right too, that Africa's woes can be dumped at the doorstep of misrule and corrupt leadership. But the corrupt leadership loot is kept in Western banks. It is equally true that what has come to Africa in terms of aid is less than required. This explains the Tony Blair's crusade at the last G8 summit where he canvassed for heavy debt pardon and other concessions. What Africa deserves is a "big bang" injection of aid and better trade conditions. Africa needs a platform or avenue to sell its grains, fruits and vegetables to the rest of the world. As *Time* magazine observes,[22]

> *Forgiving debt without opening up markets would be like sponsoring a sports team and then asking the players to take the field, with their hands tied behind their backs.*

The Case Against Undue Openness: French and Chinese Examples

Even some advanced countries with the full potentials to reap from the globalization dividend are kicking against undue openness. Take for instance France; whereas French companies embrace globalization, and its people denounce it. According to *The Economist*:

> *A sour mood of protectionism has taken hold since French voters said no to the European Union Constitution, on May 29 (2005). Politicians of all stripes, including Dominique de Villepin, the new prime minister, have been eagerly denouncing globalization.*[23]

At the cross of the matter is the impact of the lifting of tariffs on Chinese textiles at the beginning of 2005 and the flood of textile import from China and the ensuing panic from European competitors. Beyond the textile case is a surge in trade of sorts.[24] Chinese export to the EU have grown by an annual average of 23% over the last five years. Only 15 years ago, China was not even one of EU's top ten trading partners. Now it is the second largest exporter to the EU and the third – largest importer from the EU. The EU trade deficit to China in 2004 stood at USD $98 billion. [25]

Noteworthy, France is both the World's fifth – biggest economy and fifth biggest exporter – shipping out USD $560 billion of merchandize in 2004 alone. Whereas its politicians profess a fear of global capitalism, it is on record that French businessmen exploit the same. For instance, French private sector boasts of world – class producers of cars (Renault, PSA Peugeot Citroen), Cosmetics (L'Oreal), Insurance (AXA) and Oil (Total). While Renault attained 43% rise in profit after tax for 2004, Total's figure soared by 50%.[26] The question arises, if France profits so much from a globalized economy, why are its politicians feeling uncomfortable. The simple reason was the fear of unemployment. French politicians are working hard to resolve this before allowing full-blown openness.

Fragments of Evidence from Nigeria

The evidences of the negative impact of globalization on Nigeria are legion, for example: (a) the controversial Structural Adjustment Programme (SAP), an economic policy designed to liberalize Nigerian economy in the spirit of globalization has produced serious negative effects – including inflation, and devaluation of currency, creating new threats to human development – the argument about its faulty implementation notwithstanding; (b) globalization provides avenue for corrupt officials to loot the treasury of their countries. Many of Nigerian leaders, the most notorious being General Sani Abacha have had to forfeit hard earned foreign exchange to Western banks and collaborators with many of the loans secured for projects were repatriated abroad through money laundering. The African Union estimates[27] that as much as $148 billion dollars yearly, or 25 percent of Africa's official Gross National Product (GNP), is lost to corrupt activities in Africa; (c) the collapse of local industries especially in the textile and automobile industries. This author as a journalist for ten years compiled statistics of about 150,000 jobs loses from 1989 – 1999. Textile materials – *Ankara brocade and Lace* – are now massively being smuggled through the porous border with Benin Republic and up North with Niger Republic. The domination of the car importation segment by the Vaswani brothers finally led to the collapse of the close to 20 automobile plants strewn across the country.

Today, only Peugeot Automobile of Nigeria (PAN) is surviving with production cut from dozens of cars per day to about a dozen in a month. Such other auto firms like Steyr, Leyland, Mercedes-Benz-ANAMCO, Volkswagen, Nigeria Truck Manufacturing Company etc. have become history. Even tire manufacturers like Michelin and Dunlop are facing stiff competition from imported tires from Asia and South America; (d) and last cultural erosion: today in Nigeria, Chinese cuisines are more popular than the local menu, and the economy of Nigeria could be said to be substantially in the hands of Lebanese, Indians, Koreans, Chinese, French people, Americans and Britons, and notwithstanding, the government recently closed down what is known as "Chinese Village" – a place where contraband products are openly sold.

Concluding Remarks: Globalization, Nigeria and the Challenges Ahead

Many have argued that what Nigeria (and Africa) need is trade, not aid.[28] This paper has established that Nigeria needs both. In addition, Nigerian political leaders need to develop homegrown policies to enhance the country's competitive advantage in the international market in this era of globalization. As noted by the editors of *The Economists*[29] ending poverty can hardly solely depend on the "generosity of strangers". China's first cautious turn to the market in 1978; India's nod to entrepreneurship in 1982; Vietnam's "*doi moi*" reforms of 1986; all homegrown policies allowed these countries to advance along the development ladder and tackle poverty by making more money than by receiving hand outs. In essence, Nigeria needs a hand up and not a hand out.[30] Aid alone, it is said, makes government to be dependent on the paymasters in the countries of the West rather than on tax payers at home.

For Nigeria, conscious efforts must be made to secure total exit from all forms of commercial debts that exposes the country to another regime of debt overkill. Nigeria must also explore and develop more export products outside crude oil. The current effort at developing cassava as a veritable export commodity is highly commendable. Nigeria must take full advantage of the US African Growth Opportunity Act (AGOA) by developing other products for export. Also, the proposal to establish the West African common market and currency must go beyond seeming lip service. The establishment of the Ministry of Solid Minerals as well as the planned revolution in the agricultural sector must be assessed on a schedule of attainable plan of action rather than rhetoric. The anti-corruption war must be fought totally, holistically and irreversibly. The slow movement in the ladder of corrupt nations by Transparency International must be seen to accelerate and this can only come with doggedness and commitment to reduce greed and graft in the public and private sectors; political leaders must convince the populace that they exist to serve the people rather than prey on them.

Lastly, the establishment of the World Forum on globalization may add to avenues to redress the imbalances created by this inevitable phenomenon. It is suggested that for the challenges ahead, more people (intelligentsia, scholars and technocrats) from the countries of the South are needed. A step in this direction came with a recent appointment of a Nigerian – Reverend Father Matthew Hassan Kukah-into the Forum. The Forum will have to look deeply into the multi-dimensionality of globalization and global governance in a way to ensure that certain unprotected economic sites (in Nigeria and other countries of Africa) are not retrenched. The Forum as advertised will have to seek to raise the quality of dialogue and further the commitment of the states of the World Forum to transform conversations that matter into actions that make the difference. The Forum needs to meet more frequently as it has met only twice, the second being in Mexico from December 4 – 7, 2002. This will enable it tackle very urgent issues such as true trade, social equity, war on terrorism, education, and sustainable civilization. [32]

Notes & References

1. Tade Akin-Aina (ed.), *Globalization and Social Policy in Africa*, (Dakar: CODESRIA, 2004) p. 1 for similar questions bothering on Africa as a continent.
2. This is Tade Akin-Aina's submission regarding Africa as a continent.
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5. Iyormiese Hagher, *Leading Africa out of Chaos: A God-centered Approach to Leadership*, (Ibadan: Spectrum Books, 2002) p. 28 for detailed explanation.
6. While the US dollar exchanged for less than one naira in the early 1980's, it now (February 2006) exchanges for as much as ₦149.
7. This section relies heavily on guided research conducted by Okoye Ngozi Brenda in preparation for the American Studies Association of Nigeria (ASAN) essay competition 2002. While Okoye enthused in the gains of globalization, this author sees it largely as accommodating *negative neo-colonial attributes*.
8. Samuel Bamidele Falagan, *Nigeria's External Debt Burden*, (Ibadan: Fountain Publishers, 1992) for more discussion on this subject matter.
9. Sjaastad Larry, "The making of Debt crisis and its consequences", in *Economic Impact* 1989, No. 68 offers a rich explanation.
10. Akin Arikawe, *The Guardian*, January 1, 2003, p. 21.
11. An insight into the forces behind this dilemma can be gleaned from Tom Barry et al., *Dollars and Dictators: A Guide to Central America*, Grove Press, 1983, p. 52.
12. This is a tiny fraction of the $520 billion debt stock of world's poorest countries. See *Time*, July 18, 2005, p. 38 for details.
13. *Time* … ibid.
14. Abdulkadir Ahmed, "Short and Medium Term Approaches and Measures to Solving Africa's Debt Problems" paper delivered at the Financial Times Conference, London 1998.
15. *Time* … p. 39.
16. *Time* … p. 47
17. *Time* … p. 48
18. *Punch*, July 18, 2005, p. 16.
19. *Punch*, July 1, 2005, p. 19.
20. *Time* … p. 46

21. *Punch*, July 18, ibid
22. Ibid.
23. *The Economist*, July 2, 2005, p. 38.
24. Ibid.
25. Ibid.
26. Ibid.
27. EFCC Chairman, Nuhu Ribadu made this comment in *The Punch*, February, 2006
28. "Africa needs a hand up, not a hand-out" speech by Nicky Oppenheimer, Chairman De Beers International Institute for Strategic Studies, (London: Armdel House, June 13, 2005) did a comprehensive treatment of this issue. See also www.iiss.or/showpage.php? Page ID = 137.
29. *The Economist*, July 2, 2005, p. 1.
30. Nicky Oppenheimer, ibid.
31. *The Guardian*, December 29, 2002, p. 6.
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