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An Editorial

Transition to Democracy in Nigeria

George W. Shepherd, Jr.

The announcement by the Babangida Government that a four-year transition process to civil rule would be completed by 1992 has opened up the possibility for the restoration of democratic government in Nigeria.[1] Although there is a general determination to end military rule and return to democracy, Nigerians are having great difficulty defining their objectives and finding the means of achieving them.

Much of the unrestrained enthusiasm for the creation of the second Republic in 1979 is now gone and there is a greater realism. However, a basic division remains in Nigerian thinking between those who still view democracy as an extension of the liberal concepts of the West and those who view democracy in more socialist or populist terms.

In his recent book on the **Democratic Experiment in Nigeria**, Prof. Sam Egite Oyovbaire of Benin University and a member of the Government's Political Bureau which drafted the transition plan stated: "We hold the view that democracy in Nigeria is not something prior to or above Nigerian politics. . . . It is rather the very stuff of politics." He then defines democracy as a controlled form of representation. "It is a political framework from which public policies emerge and are administered for society . . . by members of a political class—a class ideally open to recruitment and exit and assumed to possess the confidence of the entire citizens of the political system."[2]

Critics on the left of this liberal approach to restoring democracy are numerous. One of the most articulate is Prof. Claude Ake of Port Harcourt University, one of the consultants of the Political Bureau, who believes Nigeria's bourgeoisie are not developed enough or sufficiently independent of neo-colonialism to achieve democracy. His theory of autonomization of the State sees Nigerian leaders subjected by a State which is class-dominated by capital despite its populist claims to represent all interests.[3] Like many Nigerian socialists, he favors democracy, but sees little prospect that this will be achieved by a military bureaucracy who serve the ruling class. As he stated in his keynote address of the International Conference on Human Rights at the University of Port Harcourt:

> Development cannot be achieved by proxy. A people develops itself or not at all. And it can develop itself only through its commitment and its energy. That is where democracy comes in.[4]

In discussing the possibility of failure, Ake warned of a grim prospect that he sees threatening Africa. "Yet another disaster threatens us. I am referring to fascism . . . All the ingredients of fascism are present now in most parts of Africa: a political

1. See **The Guardian** (Nigeria), July 3, 1987.

2. Sam Egite Oyovbaire, ed. **Democratic Experiment in Nigeria: Interpretive Essays** (Benin: Omega Publishers, Ltd., 1987) pp. 1-3.

3. Claude Ake, ed. **Political Economy of Nigeria** (London, Lagos: Longmans, 1985) pp. 9-11.

4. Claude Ake, Keynote Address, International Conference on Human Rights; The African Context, Port Harcourt University, June 9, 1987, unpublished mimeo, p. 5.

class which has failed even by its own standards, and which is now acutely conscious of its humiliation and baffled by a world it cannot control."[5]

While rejecting the original proposal of the Political Bureau for a "social-economic socialist Nigeria" and opting for ideological neutrality, the Armed Forces Ruling Council of the Babangida Government has in fact committed itself to the Western model of increasing privatization and controlled democracy. The consequences of such a direction for Nigeria are very important. Failure again, if not res[illegible] military fascism, Ake and others fear would mean a much more repressive military system.

The greatest weakness of the Babangida transition plan is not in its proposals for a two party system and new regional governments or even its professed ideological neutrality but in its economic policy in which it masks its present policies. The Structural Adjustment Program (SAP) reflects the wishes of the dominant metropolitan interests that have run the Nigerian economy since colonialism. The economy is subject to external interests that benefit a privileged minority and have transformed a colonial system into a Tributary State, increasingly dependent militarily, economically and politically on the United States and its allies.

The only way out is, as the advocates of return to democratic civil rule propose, the re-establishment of representative democracy; but as their socialist critics argue, this cannot be done without a major change in the character of those in control of the Nigerian state. Will these dominant interests, which include significant portions of the military, be willing to step aside and permit this to happen under the proposed constitutional changes and the phased process of transfer of power? It will take a wise and disciplined leadership to achieve this miracle of social change, as Prof. Amoda of the University of Lagos observed in addressing the Nigerian Political Science Association in Zaria in May of 1987.

The greatest danger sign is that the comprador and metropolitan interests will undercut the transition, as the articles in this issue point out. The Nigerian economy is moving in the direction of a greater neo-colonial tributary dependence. Rather than finding ways in which it can establish positive forms of self-reliance, the economy has been mortgaged increasingly to external capital.

The new Special Foreign Exchange Market (SFEM) Nigeria adopted in 1987 is a prime example. Basically, SFEM, through its two-tier system of exchange rates, accepted the dictates of the world market, by devaluation of the Naira (approximately 400% in 1987). This opened the Nigerian economy to the pressures of increased private market forces which cannot correct the basic shortages, as the article by Peter Koehn and Olatunde Ojo in this issue demonstrates.

The needs of economic self-sufficiency are complex and varied as Dr. Chibuzo Nwoke shows in these pages and this involves establishing major objectives affecting imports and exports for all regions and classes. The assumption that the dilemmas of agricultural food dependency can be overcome by allowing world market forces to take over is naive, as is the view that the difficulties of the iron and steel industry or the automobile factories can be surmounted by privatization. The oil industry remains at the center of the Nigerian economy and is a sick industry, but not for lack of private interest and control. Foreign companies play a decisive role in the Nigerian National Petroleum Commission (NNPC). Studies have been made of this industry by Terisa Turner, whose work is also represented in this issue, among others. Oil production is determined by metropolitan interests, particularly Shell and American companies, whose pricing and marketing policies provide the major means for the drainage

5. *Ibid.*, p. 11.

of capital and profit abroad. Participation in this by Nigerian capital and businessmen, politicians, and retired army officers is widespread and corrupt. To [illegible] further under private control would only intensify the exploitation. This points up the fallacy of the whole privatization theory which would expose fledgling industry in African economies to the greater domination of international monopoly which controls the so-called free market. The advocacy of this policy by world banking and American policy sources is one of the major false solutions imposed on Africa and the world by the Reagan ideological approach. In Nigeria, the comprador interests have seen their advantage in privatization. Despite lip-service to democracy and development, they have accelerated the movement of the economy in this direction.

Positive self-reliance is a serious economic alternative to this form of structural adjustment. There are a number of Nigerian intellectuals and political leaders who advocate it. University, labor, and business representatives form a new class of progressives who recognize that the Nigerian and other African economies cannot break out of long-established dependencies through the dogmatic ideological rhetorics of capitalism or Marxism, but must use the State to find ways in which they can protect their own national development and reintegrate with the world economy on terms that are mutually beneficial. One of the best examples of their work is the Ahmadu Bello University group study, **The Nigerian Economic Crisis: Causes and Solutions.**[6]

During the next four years of transition, Nigeria needs to re-adjust its economic program in the direction of greater self-reliance, if its democratic transition is to succeed. And the outside world must refrain from pushing them in a direction of greater dependency through privatization that undercuts the emergence of a national intelligentsia that can take over a democratic state. To do this Nigeria must spawn a new generation of political leaders in the tradition of Amino Kano, who, as Chinua Achebe observed, "had the imagination and intelligence to foresee the danger which our unjust social order poses for society and renounced the privilege of his class and identified himself completely through struggle with the fate of the downtrodden."[7]

6. Alkasam Abba, et. al. **The Nigerian Economic Crisis: Causes and Solutions**, published by Academic Staff Union of Universities of Nigeria (Zaria: Gaskiya Press, 1986).

7. Chinua Achebe, **The Trouble With Nigeria** (Enugu: Fourth Dimension Publishers, 1983) pp. 62-63.

Nigeria's Foreign Exchange Controls: An Alternative to IMF Conditions and Dependency?

Olatunde Ojo and Peter Koehn

The military coup d'etat which unseated President Shehu Shagari's government on New Year's Eve 1983 took place against a background of enormous debts. Nigeria's international debt at the time of the military take-over had reached an estimated $17 billion. Trade deficits accounted for nearly $4.8 billion of this debt.[1] Imports had escalated from an average of about $300 million a month in mid-1979 to about $1.8 billion a month, largely to fulfill President Shagari's desire "to show the people that they were in for a good time"[2] in spite of the global oil glut which plagued Nigeria's petroleum-dependent economy. Special tribunals set up by the military to uncover corruption and mismanagement among the overthrown politicians found almost everyone guilty.[3] Many of those charged had stashed away huge sums in foreign exchange acquired by fraudulent diversion of public funds to private ends, by illegal exchange of the Nigerian currency on the black market, or by taking kick-backs on contracts. An estimated $7.3 billion had been siphoned from the Nigerian economy by these means. International business people wearied of doing business in Nigeria because of ubiquitous and brazen demands for handouts and percentage cuts as *quid pro quo* for such things as import permits and contract awards.[4]

The short-lived military regime headed by General Mohammed Buhari sought to end the debt crisis, curtail corruption (especially in the acquisition and use of foreign exchange), and place Nigeria on the path to self-reliant economic development. In pursuit of the two short-term goals and the long-

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1. Finance Minister Onaolapo Soleye, cited in **West Africa**, February 20, 1984, p. 373. **The Wall Street Journal**, February 21, 1984, and **The New York Times**, January 30 and August 20, 1984, report estimates by Western sources placing Nigeria's overall debt at the end of 1983 between $22 and $25 billion, and the trade arrears at between $5 and $6 billion.

2. **The Guardian** (Lagos), December 11, 1983; **National Concord** (Lagos), November 29, 1983.

3. At least 15 former state governors have been found guilty and sentenced to long prison terms. Several ministers and commissioners suffered the same fate and many legislators have been ordered to refund varying sums of money to the state. See, for example, "Nadama Jailed 42 years," **Sunday Tribune**, October 14, 1984; "Tofa Jailed for 42 years," **West Africa**, March 11, 1985; "[Professor] Odeniqwe Jailed," **West Africa**, May 6, 1985; "Aku, Rimi Sentences Reduced," **West Africa**, May 27, 1985.

4. See, for example, "Nigeria Under Shagari Called Garden of Graft," **The New York Times**, January 20, 1984; "Doing Business in Nigeria Takes a Lot of 'Dash'," **The Journal of Commerce**, April 4, 1984; and "Nigeria Tries to Beat its Reputation as Hotbed of Brazen Corruption," **The Christian Science Monitor**, March 26, 1984.

Olatunde Ojo

Peter Koehn

term objective of self-reliant development, the Buhari regime adopted a number of policy measures. Several of these aimed in general to conserve or ration foreign exchange. More specifically, they attempted to bring under government control literally any foreign exchange accruing to the citizen as a result of services rendered at home or as a result of activities, investments, or gifts abroad. The new government also directed attention to eliminating the loopholes through which abuses and corruption had hitherto occurred and banned products had been smuggled into the country.

The measures adopted, here termed the "1984 Foreign Exchange Control Regulations," are extreme in that they make normal day-to-day international transactions virtually impossible for the ordinary citizen. They involve, principally, the Exchange Control (Anti-Sabotage) Decree of 1984 and supplementary regulations.[5] One of these regulations restricts how much Nigerian currency a traveller may take out or bring into the country. Another requires immediate official exchange into naira of any foreign currencies or traveller's checks brought into the country. One demands that foreign visitors pay for hotel services in foreign exchange; another reduces maximum salary remittances by expatriates from fifty to twenty-five per cent. Yet another cuts the basic travel allowance of Nigerian citizens to the equivalent of $130 a year. Closure of all foreign bank accounts by public officials—political appointees, civil servants, university teachers, administrators in the parastatals—is required by the regulations, as is the payment of ₦100 as levy on all travel outside Africa which originates in Nigeria.

The overthrow of the Buhari government in 1985 led to fundamental changes in Nigeria's monetary policy. Major General Ibrahim Babangida raised the issue to center stage by immediately launching a nation-wide debate on whether or not Nigeria should accept and implement the IMF's conditions in order to secure its credits and obtain debt rescheduling. In the midst of the world oil glut and continuously deteriorating foreign exchange earnings, participants in the debate overwhelmingly rejected both the loan and IMF conditionally. Nevertheless, the Babangida regime proceeded to introduce the chief components of the IMF plan at the same time that it publicly rejected the most resented requirements and kept the Fund in the background by arranging for the World Bank to monitor compliance. The decisive step in this direction occurred on October 1, 1986, when the Second-tier Foreign Exchange Market (SFEM) took effect and the value of the naira plunged dramatically.

The first purpose of this article is to describe in detail and compare the foreign exchange measures and related actions adopted by the two military

5. Exchange Control (Anti-Sabotage) Decree No. 7 of 1984 in **Supplement to Official Gazette Extraordinary**, No. 20, Vol. 71 (April 6, 1984).

regimes and etch a picture of their scope and socio-economic implications. Secondly, we analyze the impact of each strategy in terms of intended aims and objectives, as well as unintended effects. This will enable us to evaluate the strengths and weaknesses of the measures pursued and to make a preliminary assessment of the relative utility of each approach for the grander objective of self-reliant development.

Both regimes put forward their foreign exchange reform program and steps to rid the country of corruption as actions aimed at qualifying Nigeria for two international financial arrangements: (1) the rescheduling of extant debts and (2) IMF award of a new loan in the amount of nearly $3 billion. On their part, the Western governments which have insured Nigeria's credits and the Fund insisted that the government of this West African country devalue the naira by 30 per cent, terminate subsidies on the domestic sale of petroleum products, sharply reduce state expenditures, sell off state enterprises to private owners, and liberalize trade restrictions.[6] Nigeria's recent military governments have been acutely aware of the dire economic and political consequences which have accompanied this type of monetary and economic policy package elsewhere in the Third World.[7] The issue of devaluation is particularly sticky. Instead of official and abrupt devaluation, therefore, Nigerian governments have preferred to allow the value of the naira to slide. In 1980, the official rate for the naira came to $1.80. Over the next four years, the government quietly and gradually reduced its value to $1.12 by changing the mix in the basket of currencies to which the naira is pegged.[8] The Buhari regime further contended that foreign exchange regulations are more likely than devaluation to achieve the stated objective of revitalizing the local economy, provided that the new loan would be forthcoming and existing debts rescheduled.

In this article, we take a critical look at whether the Buhari administration's direct exchange control policy or the SFEM approach being pursued by the successor Babangida government offers a viable alternative to IMF

6. "New Rulers in Nigeria Face Harsh Economic Realities," **The Washington Post**, March 9, 1984; "...And Now for the IMF," **West Africa**, April 23, 1984; Edward A. Gargan, "Nigeria's Economy Faces New Burden," **The New York Times**, January 27, 1986.

7. In nearby Ghana, political instability following an IMF-imposed devaluation in 1972 led to the overthrow of President Busia. See Ronald T. Libby, "External Co-option of a Less Developed Country's Policy Making: The Case of Ghana, 1969-1972," **World Politics**, October 29, 1976, pp. 6-9; Eboe Hutchful, "The Political Economy of International Debt Re-negotiation: Ghana 1966-1974" (Unpublished Seminar Paper, School of Social Sciences, University of Port Harcourt, 1981). In an interview conducted by Michael Holman and Patti Waldmeir, General Buhari predicted that implementation of the Fund's conditions would usher in "the riots that seem to signify the arrival of the IMF in most developing countries." **Financial Times**, February 25, 1985, Survey 1.

8. **The Wall Street Journal**, Febryary 21, 1984; **West Africa**, April 24, 1984, pp. 866-867 and May 20, 1985, p. 1007.

conditions in terms of debt liquidation and economic revitalization. Did Nigeria's three-year standoff with the International Monetary Fund inadvertently demonstrate that Africa's most populous nation and other Third World countries that are similarly situated in the global capitalist economy can avoid deeper international indebtedness and, with the aid of strict foreign exchange controls, boldly embark on a path that fosters healthy self-reliance?

The Scope of the 1984 Regulations

The 1984 foreign exchange control regulations cover a broad range of individual and corporate activity. They prohibit payments abroad outside of official channels, make it illegal for individuals to buy, sell, or lend foreign currency, and attempt to punish former politicians, to reduce imports and the national demand for foreign exchange, and to discourage travel abroad.

The Exchange Control (Anti-Sabotage) Decree, 1984, plugs loopholes in the basic currency control law of the country, the Exchange Control Act of 1962, and imposes stiff penalties for violations. The 1984 Decree makes it an offense, punishable by five years imprisonment and a fine in the amount of foreign exchange involved, for an individual to make any payments outside official channels or place any sum to the credit of a person outside Nigeria (or to a person inside Nigeria on the order or on behalf of somebody outside the country). This provision is clearly aimed at corrupt politicians, bureaucrats, and businesspersons, the so-called "ten percenters" who stacked away thousands, sometimes even millions, in foreign accounts from kickbacks and inflated prices. It also captures the individual whose overseas friend, for example, asks him or her to issue to a local carpenter a paltry sum of money the friend forgot to pay on an earlier African trip.

The 1962 Act, which had nearly identical provisions, was less strict and constraining. This is in part because of a proviso that its intent was not to prohibit the doing of anything, otherwise lawful, with foreign currency obtained lawfully, nor to prohibit Nigerian residents from making payments at home or placing a sum to the credit of a person resident outside Nigeria if that person "has paid a sum in or toward the satisfaction of a debt due from him."[9] The new decree plugged the loophole by which persons previously did unscrupulous things with lawfully obtained foreign currency. The 1962 Act was also less strict in another sense: the punishment set forth for summary conviction involved imprisonment for not more than three months or a fine of five hundred pounds ($1400), or both; for conviction on indictment, the

9. Federal Republic of Nigeria, Exchange Control Act, 1962, Arts (7)c and (d); 8(2); 9(2).

punishment consisted of imprisonment for not more than two years or a fine of 1000 pounds ($2800) or both.[10]

Another provision of the 1984 Decree makes it an offense to pay, without authority, money to a person in Nigeria in consideration of any acquisition, property, services, right, or favor outside Nigeria, or to make such payments abroad in consideration of similar benefits within Nigeria. Although ai[illegible] at the "ten percenters," this provision clearly encompasses the acade[illegible] whose friend in the U.S., for example, agrees to pay his subscription [illegible] **Today** in exchange for a subscription to the **Nigerian Journal of International Affairs.** Moreover, it captures a situation where a Nigerian goes abroad and a relative back home requests him or her to bring back a spare part for which the traveller is paid the naira equivalent.

The Decree also makes it illegal for a person, while resident in Nigeria, to buy, sell, borrow, or lend any foreign currency to any person inside or outside Nigeria. Aimed at open black markets where the naira could be exchanged for a low as 29 to 40 cents instead of the official $1.40 (1982), this pro- vision makes traveller's checks useless as a medium of exchange until converted to local currencies by authorized dealers, namely banks. Once again, the similar provisons of the 1962 Act were less strict since the transfer of foreign currency (e[illegible]'s checks) was permissible if made at a price which did not exceed the price authorized by the Minister (official exchange rate) and if the transaction did not involve the payment of unusual and improper charges.[11] Following the promulgation of the 1984 Decree, moreover, the amount of traveller's checks purchased in Nigeria for travel abroad (limited to $130 per person a year) must be recorded in one's passport, and the traveller has the burden of explaining any extras at currency control check-points at the departure terminal.

Furthermore, the military regime promulgated a series of regulations that limit the opportunity for individuals to acquire foreign exchange via the black market or by other unofficial means. Nigerians travelling overseas may take with them no more than ₦20 in Nigerian currency. They must declare and exchange within 24 hours all foreign currencies brought into the country. Even foreign visitors are affected; they are now required to pay for their hotel bills and other purchases in foreign exchange.

Apart from its deterrent effect on would-be black-marketeers, kickbackers, and even petty users of foreign exchange outside officially sanctioned

10. *Ibid.*, Fourth Schedule, Part II, Arts 3 and 4.

11. *Ibid.*, Art 4(4).

frameworks, Decree No. 7 (as the Exchange Control Decree is otherwise known) is meant to be punitive of the elected politicians and officials widely believed to have profitted from corruption and foreign exchange transactions under the Second Republic. Thus, the effective date of the Decree's coming into force is retroactive to 1st October, 1979, the day civilians assumed power after thirteen years of military rule. Furthermore, politicians have been the first and major defendants before the special tribunals set up under the Decree and the twin Recovery of Public Property (Special Military Tribunals) (Amendment) Decree of 1984. The Buhari regime promulgated the latter, known as Decree No. 8, in order to prosecute and recover property from public officers who had illegally enriched themselves or, by virtue of abuse of office, contributed to Nigeria's economic adversity. The establishment of these special military tribunals, the actual trials of offenders and the stiff sentences imposed, the closure of land borders to prevent smuggling of goods and currencies, and the more systematic searches of travellers at the sea and airports all indicated another difference from the past: stricter enforcement to punish and deter.

Viewed in a more positive economic light, Decree No. 7 is intended to guarantee that no international transaction involving money can take place outside official agencies and without official approval. That way, not only would governmental control over the acquisition and use of foreign exchange be assured, but its access to more invisible sources of foreign exchange would be enhanced. It is significant, in this regard, that public officers are prohibited from having foreign bank accounts. In lieu of this, all citizens are encouraged to bring their foreign exchange holdings home and to open foreign exchange accounts in special branches of domestic commercial banks established for that purpose. Naturally, the public has been skeptical of this new dispensation, seeing it as a trick to enable the government to get hold of private citizens' foreign currency.[12]

Supplementary to Decree No. 7 are regulations to control the outflow of foreign exchange. The basic strategy underpinning these regulations is to reduce both imports and the demand for foreign exchange. The regulations are three-pronged: (1) a lower ceiling on the total amount of foreign exchange available to the public (that is, the private sector); (2) end-use regulation of the reduced allocation; and (3) restrictions on the availability of foreign exchange to private individuals.

The Buhari regime reduced the total allocation of foreign exchange to commercial and merchant banks for apportionment among their various

12. A precedent had been set during the currency change exercise in April/May 1984. After everyone had turned in their old notes to the banks, the government suddenly ordered that anyone who had deposited more than N-5000 must show proof of how s/he acquired the money before s/he could be issued the new notes.

customers to \$4.85 billion in 1984. This amount comprised about 30 per cent of the foreign exchange needed to keep the economy operating at the 1983 level.[13] The government distributed the total sum to the banks according to their size. Each bank is required to allocate its share according to an end-use formula which reserves 58 per cent for industrial raw materials, spare parts, and equipment, 18 per cent for food imports, 12 per cent for other consumer goods, and 12 per cent for invisibles such as foreign travel, education, medical services, and repatriation of expatriate salaries.[14]

Further regulations restrict the access of private individuals to the 12 per cent share allocated to invisibles each month. In the first place, remittances for education and medical services and of expatriate salaries are severely curtailed or circumscribed. Only students already pursuing courses of instruction abroad and those graduate students whose programs of study are not available in Nigeria are eligible to receive foreign exchange. While this regulation is not new, it is being vigorously enforced and new twists have been added to it. For instance, the government suspended the transfer of foreign exchange to over 80 overseas private business colleges and GCE "A" Level private tuition houses. These institutions provide educational programs readily available in Nigeria.[15] Several state governments also cancelled scholarship awards to their students studying overseas and requested that they return home.

In a similar vein, patients wanting overseas medical services now face severe eligibility tests. Only medical services not available in Nigeria and so certified by competent authorities qualify for foreign exchange for attention overseas. Expatriate staff have encountered much stricter regulations under the new military regime. The government slashed the proportion of their salaries which may be remitted abroad from 50 per cent to 25 per cent. Even Nigerian staff (e.g., exchange scholars), who hitherto could remit up to 50 per cent of their salaries when on educational programs abroad, now are restricted to 25 per cent "if available," a euphemism for denying *de facto* what is granted *de jure*. Learned conferences overseas may be attended once in three years, instead of once a year; and not more than five per cent of the faculty at each educational institution may be allowed to spend their sabbatical leave abroad in any given year.

The Buhari regime also adopted regulations designed to discourage foreign travel by Nigerians as a means both of saving foreign exchange and

13. U.S. Department of Commerce, **Foreign Economic Trends and Their Implications for the United States: Nigeria** (Washington D.C.: D.O.C., International Trade Administration, January 1985), p. 9.

14. *Ibid;* **West Africa,** February 20, 1984, p. 395.

15. **West Africa,** May 20, 1985, p. 1017.

of curtailing imported luxuries and Eurocentric mentality. There had been great concern that top-level Nigerians spent their vacations in Europe and North America at the expense of domestic tourism. Accordingly, the government cut the basic travel allowance (BTA) of $650 a year allowed each travelling Nigerian by 80 per cent to $130 and suspended the Business Travel Allowance allowed businesspeople. When that appeared not to discourage travel abroad, the government instituted a travel levy of ₦100 ($130) for each trip outside Africa. Nevertheless, enterprising individuals, including young women acting as surrogates for private business- people, continued to make frequent trips to Europe in order to purchase assorted goods to be sold for high profits at home, or for dollars in neighboring countries. Some brought locally made gold trinkets to Rome, where they sold them at profits ranging from 1500 to 3000 pounds sterling. The entrepreneur then travelled to London, where she purchased the goods brought into Nigeria.[16]

Impact of the 1984 Regulations

Nigeria's foreign exchange control regulations had an immediate impact on its international balance of payments situation and on the domestic economy. They seriously affect individuals, and involve important social consequences. Whether the regulations are politically sustainable for long is an important question. We first examine the short-run consequences for the individual, the economy, and the polity and, then, assess the long-term implications.

Short-term Socioeconomic Consequences

Most immediately, the 1984 regulations caused problems for those individuals who need foreign exchange and shortages for society at large. Stricter enforcement has prohibited students from going abroad for further studies, for instance. This entails particular deprivation for those who are not successful in gaining admission to Nigerian universities. Students already overseas who rely on funds from relatives at home also have encountered hardships.

By March 1984, the Ministry of Commerce and Industry had a backlog of more than 4,000 requests for import licenses. Small and medium-scale enterprises feared that they would be short-changed under the government policy of issuing no import licences without foreign exchange backing.[17] One company complained of receiving "only ₦1 million import license as against

16. **Sunday Concord,** October 14, 1984; **The Guardian,** August 18, 1985.

17. **Africa Economic Digest** (London), March 23, 1984, p. 14; U.S.D.O.C., **Nigeria,** p. 9; and "Dying in the Queue," **West Africa,** October 1, 1984.

the ₦18 million for last year."[18] Later, Nigerian businesspeople and would-be tourists seeking their BTA or approval of their form M (the basic import document which authorizes importers to make foreign exchange remittances abroad) formed disgruntled and anxious mobs at the Ministry of Commerce and Industry and at banks in the state capitals.

Expatriate employees threw up their arms in despair over the rigamarole surrounding remittance of the permissible portion of their salaries. Some decided to leave their jobs and the country.[19] In addition, tourists who had converted their money into naira in obedience to the law discovered, on leaving the country, that it is no easy matter to re-convert the naira back to foreign currency.

If the plight of particular individuals is unenviable, that of the general urban populace is deplorable on account of the immediate impact of the foreign exchange regulations on the economy. Austerity measures and closed line of credits on account of rising debts already had led to a reduction of imports from the all-time high of about $17 billion in 1981 to $13 billion in 1983. The foreign exchange regulations, together with changed procedures whereby *all* imported goods came under specific licenses, further reduced imports. During the first year of the new regulations (in spite of some carryover 1983 licenses), the import bill went down to $11.7 billion, a decline of 10 per cent from 1983. For 1985, the government imposed a $3.5 billion ceiling on imports.[20] The new ceiling, a 70 per cent reduction from 1984, led to shortages of many products. Such consumables as sugar, rice, tea, and coffee virtually disappeared from local markets. Prices of other household commodities, such as cooking oil and soap, soared by as much as 400 per cent.[21]

The sharp reduction in imports affected the economy and the populace in other ways. Many manufacturers faced shortages of raw materials and spare parts as a result of receiving only ten to fifteen per cent of their requested imports after months of waiting for licenses. Some closed down; others operated at between thirty and fifty per cent capacity.[22] This only accentuated commodity shortages and the price spiral. Hoarding became the order of the day among middlemen and long queues and mob actions became a fact of life for thousands seeking to purchase basic necessities.

18. **The Guardian,** August 21, 1984.

19. **Sunday Triumph,** October 14, 1984.

20. **West Africa,** February 20, 1984, p. 395; U.S.D.O.C., **Nigeria,** p. 9; and **West Africa,** January 14, 1985.

21. U.S.D.O.C., **Nigeria,** pp. 3-4.

22. *Ibid.*

Increased unemployment is another of the short-term consequences of the 1984 foreign exchange regulations. As factories closed or operated at lower levels of production, thousands of workers found themselves laid off. When the indigenous electrical goods manufacturer, Adebowale Electrical Industries, shut down its Ilorin and Enugu factories, for instance, 800 workers lost their jobs. And, when the Road Construction Company of Nigeria (ROCCON) sought to avoid imminent collapse, it retrenched 1,000 employees.[23] In the public sector, the Buhari regime, on its own initiative and coincidental with one of the IMF conditions for the $2.5-$3 billion loan under negotiation, also embarked on retrenchment.[24] Except in a few departments and parastatals, the government mandated 15 per cent across-the-board reductions in personnel in both the federal and state public services. The Bendel State government dismissed some 5,000 civil servants in one day. In all, about one million public employees had been laid off by the end of August 1984.[25] This development meant increasing competition for work with the estimated 700,000 illegal aliens in the country. The military regime moved to expell them in May, 1985.[26]

Furthermore, the difficulty in obtaining import licenses for raw materials, combined with two other considerations, scared away foreign private investment. For some time, foreign entrepreneurs have found that doing business in Nigeria can be extremely frustrating because of an obstructive bureaucracy, ubiquitous and brazen demands for bribes, unreliable power and water services, the threat of industrial unrest, and misadventures due to inadequate information and intercultural misunderstandings.[27] The coup d'etat of December 1983 and the IMF's insistence on devaluation as a condition for a loan created further uncertainties and, therefore, discouraged private foreign investment and made it increasingly difficult to attract expatriates with technical skills. Indeed, many of those already in Nigeria resigned their appointments for reasons "not unconnected with the Federal Military Government's reduction of their home remittance."[28]

Even tourism declined. In mid-1984, the popular five-star Eko Holiday Inn and the Ikeja Palace Hotel in Lagos reported a drop in occupancy rates from around 98 per cent to 70 per cent and 60 per cent, respectively. These hotels, which normally cater to foreign tourists, attributed their business declines to the "impossible regulation passed early this year."[29]

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23. **The Guardian,** August 21, 1984; **Sunday Triumph,** October 14, 1984.
24. **West Africa,** October 15, 1984, p. 2069.
25. **New York Times,** August 20, 1984.
26. **West Africa,** May 6, 1985, p. 867.
27. **Africa Research Bulletin** (Economic Series), October 15-November 14, 1979, pp. 5298-5299; **West Africa,** March 16, 1981, p. 535; **Advertising Age,** 51, No. 18 (April 28, 1980), 66.
28. **Sunday Triump,** October 14, 1984.
29. **The Guardian,** August 27, 1984.

The short-run economic and personal hardships associated with introduction of the Buhari regime's foreign exchange regulations resulted in unintended social consequences. One outcome has been the increasing incidence of certain types of crime in the country. There are two strands to this phenomenon. The first is the making of criminals out of otherwise law-abiding citizens. The retroactive nature of the Exchange Control (Anti-Sabotage) Decree can be viewed in this light. The imprisonment of Fela Anikulapo Kuti is even more to the point. Fela, Nigeria's internationally acclaimed musician, possesses talent which, if properly marketed, could be a mine of foreign exchange for the country. After a trip to Britain in 1984, Fela had legally imported some 1600 pounds sterling he had earned abroad. Given that his 40-member band soon would be travelling to the United States, Fela did not convert this money into naira. If he had, of course, he would only have been entitled to a $130 BTA upon departure. Indeed, he might not even have seen this amount because of bureaucratic red tape and shortages at banks. On his way to the United States, Fela failed to declare the 1600 pounds, knowing that if he did so he would be arrested for failure to convert to naira within 48 hours and/or failure to get the Minister's authority to take the money out again. The authorities arrested Fela anyway for failure to declare and for exporting without authority and sentenced him to a five-year term of imprisonment.[30]

The second strand of crime goes beyond "white lies" of convenience to more brazen criminal efforts to secure foreign exchange outside the law. One such activity which is on the increase is drug trafficking to Europe and the United States. In 1984, authorities arrested 42 men and 16 women on charges of smuggling narcotics, mainly cocaine and heroin, with a total estimated value of $2.4 million.[31] Of the 602 Nigerians reported to be in jail in 25 countries, the majority are serving terms for drug trafficking offenses. According to one report, there are 138 Nigerians in Italian jails and 135, 99, 54, 46, 44 and 13 imprisoned in France, the U.S., West Germany, Spain, Great Britain and Switzerland, respectively.[32] By 1985, this lucrative business had spread in spite of the increasing rate of arrests. Even women became traffickers, concealing drugs in their private parts or taped to their bodies under their flowing dresses. This led to crude and dehumanizing searches of women at ports of embarkation, sparking vehement protestations by the National Council of Nigerian Women's Societies.[33] Under the Miscellaneous Offenses Decree

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30. **National Concord,** September 11, 15, 26, 1984; **The Guardian,** October 17, 19, 26, 30, 1984; Odia Ofeimun, "Human Rights: Fela and Bola Ige," **The Guardian,** September 20, 1985, p. 9. The Babangida administration released Fela on April 24, 1986. **The New York Times,** April 25, 1986, p. 5.
31. **Africa Now,** February, 1985, p. 48.
32. *Ibid.*, p. 49.
33. *Ibid.*; **Sunday Triumph,** October 14, 1984.

(No. 20), trafficking in cocaine and other hard drugs is an offense punishable by execution by firing squad. The mass protestations following the execution of the first three persons convicted in March 1985 did not deter the Buhari regime.[34]

Another unintended short-run social consequence of the foreign exchange regulations pertains to labor unrest. This is best illustrated by the doctors' strike of February 1985. Due to the foreign exchange squeeze and the placing under specific licenses of all goods (including medicines) previously imported under open general licenses, Nigeria experienced a critical shortage of supplies in all hospitals, including teaching hospitals. The intransigence of the government on the foreign exchange issue provoked the doctors' strike and led to a confrontation with the military regime. The Buhari administration reacted forcefully; it dismissed all doctors in public hospitals, dissolved their union, and imprisoned the strike leaders. Subsequently, however, the availability of medicines in hospitals improved.[35]

Long-term Economic Implications

Although we recognize that the 1984 foreign exchange regulations involved short-run hardships and sacrifices, they also exerted a salutary impact on the economy that augured well for self-reliant economic growth and development in Nigeria. The light at the end of the tunnel is the production and processing of raw materials domestically and the installation of spare-parts factories. The performance of certain major firms after the new foreign exchange regulations came into force provided cause for optimism in this regard.

Table I summarizes the performance of ten representative firms in 1983 and 1984. One striking finding is that, with the exception of Guinness, Metal Box, and Flour Mills, the gross profit of all firms dramatically increased in 1984 (column 7). This occurred even though turnover generally declined over 1983 (column 4), or showed only a modest increase (with the exception of AG. Leventis). Even more interesting is the fact that, with the exception of Flour Mills, AG. Leventis, and Metal Box, all the others reported greater gross profit ratios in 1984 than in 1983. This figure involves the profit return over turnover, or the profit per unit of sale or production (columns 8 and 9). The accomplishment of this feat, high profits in the face of stable or lower turn over and the raw materials crisis, indicates greater efficiency in production. This has been achieved by a combination of internal restructuring, waste reduc-

34. **Sunday Concord**, May 26, 1985; "Execution of Drugs Men," **West Africa**, April 22, 1985, p. 805; "The Cocaine Women," **West Africa**, June 10, 1985, p. 1166; **The Guardian**, March 27, 1985.

35. "Nigeria Doctors' Dilemma," **West Africa**, March 4, 1985, pp. 403, 437; "Doctors Told to Reapply," **West Africa**, March 11, 1985, p. 490; "Dismissal For 64 Doctors," **West Africa**, April 29, 1985, p. 857.

tion, retrenchment of redundant workers, use of local materials, fabrication of one's own spare parts, and, of course, higher domestic prices for products.[36]

Table I
Economic Performances Index of Representative Firms
(Figures in millions ₦)

Firm	Turnover A			Gross Profit B			Gross Profit Ratio B/A	
	1983	1984	% change	1983	1984	% change	1983	1984
1	2	3	4	5	6	7	8	9
UAC	719.12	596.12	-17.10	30.74	65.94	+114.50	4.27	11.06
PZ	347.45	314.63	-10.45	17.72	29.25	+8.60	5.10	9.29
Flour Mills	264.86	251.02	-5.23	19.96	15.09	-24.40	7.54	6.01
Guinness	240.34	215.70	-10.66	54.72	50.35	-8.00	22.80	23.30
Nig. Bottling Co.	210.77	266.70	+26.53	40.94	54.35	+27.86	19.42	20.38
Leventis Motors	202.61	136.08	-32.84	3.02	4.24	+40.40	1.49	3.12
Cadbury	112.74	119.20	+5.80	9.82	11.57	+17.80	8.20	9.70
Nig. Tobacco Co.	71.04	79.71	+12.20	9.30	16.02	+71.00	13.10	20.10
Metal Box	36.47	30.62	-16.04	6.94	4.80	-30.84	19.03	15.68
AG. Leventis	13.34	97.42	+630.28	3.12	5.26	+68.59	23.39	5.40

Source: **The Guardian** (Lagos), April 14, 1985.

It is in the sphere of using local materials and fabricating one's own spare parts that a transformation toward self-reliant development must begin. Many firms resorted to producing their own raw materials, or experimenting with locally available materials. Guinness, for instance, embarked on agricultural projects to produce sorghum, maize, and rice for its breweries. John Holt, one of Nigeria's oldest conglomerates, planned to boost agricultural development and agro-industries; specifically, the cultivation of maize and soya beans, the building of feedmills and piggeries, fishing, fishing-boat construction, and the production of commercial and industrial generators.[37] Lever Brothers started to re-activate the oil palm estates it abandoned some years back when imported palm oil proved cheaper.[38] And, Cadbury established its own spare parts fabricating workshop that met 70 per cent of its needs. The Buhari government sponsored seminars and international conferences to encourage

36. **The Guardian**, April 14, 1985.

37. **The Guardian**, August 30, 1984.

38. **The Guardian**, August 21, 1984.

the use of local materials in all industries, and promised financial and technical assistance to farmers and firms wishing to go into the production of raw materials.[39]

Furthermore, the foreign exchange regulations helped to cushion Nigeria's debt crisis. The country's overseas debt at the beginning of 1984 included approximately $10 billion in medium- and long-term loans held by the government and about $7 billion in overdue short-term credits (plus interest) for goods and services already supplied. Uninsured obligations to overseas export firms constituted roughly $5 billion of the total foreign trade debt; the national government (mainly OECD countries) of the creditor companies guaranteed the balance.[40] Nigeria sought both to reschedule these loans and to secure an additional capital infusion of between $2.5 and $3 billion from the IMF. Pessimists believed that without the IMF loan, Nigeria would be unable to meet rescheduled repayment terms on its short-term loans.

At first, negotiations for rescheduling these debts bogged down largely because government officials in the creditor states (led by Britain's Export Credit Guarantee Department) insisted that Nigeria reach agreement with the IMF on pre-conditions labelled an "economic recovery program."[41] They also insisted that any terms of agreement reached apply *mutatis mutandis* to the uninsured creditors. Eventually, however, the principal uninsured creditors, among them the Mobil Oil Corporation and ITT, gave in. This allowed Nigeria to reschedule about $3.5 billon in debts without the necessity of first reaching agreement with the IMF and opened the way for rescheduling the uninsured debt owed other companies.

The insured $2 billion debt remained subject to the question of prior agreement with the IMF. On October 5, 1984, both sides negotiated a face-saving "secret debt accord" in Paris. The terms of this agreement were identical to the earlier settlements with uninsured creditors. The accord provided that principal on these loans would be stretched over six years, with repayment to begin after two and a half years. Interest payments commenced on January 1, 1985, with the interest rate set at one percentage point above the rate London banks charge each other (10.3125% in 1984).[42]

The deadlock still existed with the IMF over the latter's conditions for the $2.5-$3 billion loan. Consequently, Nigeria did not receive the additional foreign exchange which the Buhari administration had been counting upon.[43] Nevertheless, at the rate of $300-$400 million per month, the

39. **New Nigerian,** April 4, 1984.

40. See **The Economist,** Vol. 299, No. 7444 (May 3, 1986), pp. Survey 6-7.

41. "The Search for External Loans,;; **West Africa,** February 20, 1984, pp. 373-5; "And Now for the IMF," **West Africa,** April 23, 1984, pp. 866-7; **The Wall Street Journal,** March 27, 1984 and February 21, 1984.

42. **The Wall Street Journal,** October 24, 1984.

43. Including another $2 billion in tied funds from the World Bank and Western commercial banks. Blaine Harden, "Nigeria Sets Debt Payment Ceiling," **Washington Post,** January 5, 1986.

government continued to repay both the rescheduled bona fide short-term obligations and its non-rescheduled medium- and long-term debt to Western financial institutions.[44]

By the end of February 1985, the country's external liabilities had decreased to about $15.1 billion from $16.1 billion in December 1984 and $17 billion at the end of 1983. Foreign exchange reserves totalled $1365 million in February 1985, compared with $1285 million the previous December and less than $1000 million at the time of the coup in December 1983.[45] In sum, Nigeria had implemented its own stabilization program without relying on the IMF, or being bailed out by other external sources of capital.

Recent Developments Under the Babangida Regime

Nigeria held firm to its position until the overthrow of the Buhari regime in 1985. Bruised, but unbowed, the government resisted global pressures to abort its experiment. It convinced the politically active strata that their sufferings and inconveniences were temporary and necessary for a better future, and that the situation would be worse under the IMF's prescription. In Finance Minister Onaolapo Soleye's words, "if you go for the Fund, you can expect more and more stringent tightening of the economy."[46]

The wide support which the Buhari regime's position enjoyed[47] and the intensity with which Nigerians resented the IMF's patronizing attitude and unsuitable conditions for securing a loan surfaced early in the successor Babangida administration. General Ibrahim Babangida favored accepting the IMF conditionalities and a loan.[48] In early moves which manifested his inclinations, the new Head of State appointed a former official of the IMF, Dr. Kalu Kalu, as Finance Minister and stacked the newly established "Committee on the IMF Loan" with appointees who favored accepting the money.[49] Judging that key political actors in Nigeria would be unwilling to tolerate for long the hardships which the extant foreign exchange-based approach

44. **West Africa** (April 23, 1984, p. 866 and June 4, 1984, p. 1153) estimates debt servicing at between $2.5 and $5 billion annually. The 1985 national budget earmarked 44% of estimated foreign exchange earnings for this purpose. Sources close to the IMF informed us that Nigeria had not defaulted on its payments as of April 1985. Also see **Financial Times,** February 25, 1985, Nigeria 3. However, the Central Bank was about three months in arrears in releasing foreign exchange for the repayment of short-term trade debts. Blaine Harden, "Nigerian Invites Debate on IMF Loan," **Washington Post,** October 1, 1985.

45. **West Africa,** May 6, 1985, p. 905 and May 13, 1985, p. 958.

46. **West Africa,** October 15, 1984, p. 2069.

47. **West Africa,** June 4, 1984, p. 1154.

48. The extent to which the Buhari regime's regjection of the IMF conditions in favor of its own foreign exchange control approach constituted a factor in its overthrow by coup d'etat in August 1985 is not clear. In any event, General Babangida immediately promised to resume negotiations with the Fund over the proposed loan. See Peter Blackburn, "The Year of the IMF?" **Africa Report** 31 (No. 6, 1986):18; **New York Times,** September 4, 1985, p.6; **National Concord,** September 20, 1985, p.6.
49. Harden, "Debate."

entailed, General Babangida concomitantly initiated a great national debate on the issue in various public fora and on the pages of the newspapers. However, Nigerians overwhelmingly repudiated the IMF conditionalities and loan.[50] They expressed their willingness to tolerate hardship for as long as necessary in order to restore the economy by self reliance. In the face of the nearly unanimous public opinion expressed in the debate it had inaugurated, the government formally abandoned loan negotiations with the International Monetary Fund on December 13, 1985.[51]

While respecting the public's rejection of an agreement that would accept the IMF's terms, the Babangida regime proceeded to adopt most of the Fund's prescriptions for revamping the economy. It withdrew the subsidy for the domestic sale of petroleum. This action nearly doubled the pump price. The government also dismissed more public servants and trimmed wages and salaries by between 2½ and 20 per cent. On top of existing duties, it imposed a new thirty per cent levy on all imports. Finally, the Babangida administration allowed the official value of the naira to slide further.[52] By mid 1986, the naira was worth only 85 U.S. cents.

The sudden tumbling of petroleum prices to as low as under $10 per barrel during the first half of 1986 put great pressure on Nigeria to negotiate debt rescheduling. The country's western creditors continued to insist on IMF guarantees.[53] Thus, fate helped bring Nigeria back to the IMF's doorstep and to additional conditionalities. The IMF demanded the privatization of government-owned enterprises in conformity with its long-standing policy vis-a-vis debtor Third World countries[54] and the Reagan administration's campaign to transform Africa into free-market economies.[55] The Nigerian government, broke as a result of events in the worldwide petroleum market, obliged by meeting the IMF half way. Instead of massive privatization, it dissolved some companies, began a program of gradual divestment in others, and removed subsidies to monopoly parastatals which, in turn, milked their captive customers.[56]

On the other hand, in a challenge to Nigeria's international creditors announced in his New Year's Eve address, General Babangida unilaterally established a ceiling on the amount of foreign exchange earnings which would be devoted to servicing the country's external debt in 1986. Most estimates

50. See, for instance, **National Concord,** September 20, 1985, p. 6, September 21, 1985, p.1.

51. "Nigeria Breaks Off IMF Talks," **Washington Post,** December 14, 1985.

52. "Babangida's Deal," **African Guardian,** 1, No. 1, January 16, 1986, p. 19; **The Economist,** May 3, 1986, p. Survey 12, Harden, "Ceiling."

53. See "Creditors," p. 1; David B. Ottaway, "Nigeria Promotes its Strategy for Foreign Debt Repayment," **Washington Post,** January 14, 1986.

54. Hutchful, "Ghana."

55. **New York Times,** May 28, 1986, p. A10; John C. Whitehead, "The African Economic Crisis," **Current Policy** (U.S. Department of State, Bureau of Public Affairs), No. 757, October 1985, p. 2.

56. Gargan, "Nigeria's Economy"; "Babangida's Deal," p. 19.

had indicated that Nigeria's debt repayments would consume nearly 60 per cent of total foreign exchange earnings in each of the next five years. The Babangida regime set the ceiling on servicing medium- and long-term loans at half of this level (30%).[57] Given the absence of other major exports, the low price of petroleum on the world market during most of 1986 dramatically undercut Nigeria's capacity to repay its foreign debt in any event.[58] Under such circumstances, rescheduling is imperative for creditor and debtor alike. Nigeria is far from powerless in this situation. In the first place, *de facto* "rescheduling" would occur in the absence of a formal agreement should a country be unable or unwilling to meet its obligations. This is precisely what happened in 1986, when Nigeria unilaterally declared a moratorium on debt repayment for nine months.[59] Moreover, the extremely precarious state of the country's economy highlights the shared interest of all parties in Nigeria's economic survival and revival. In the words of one analyst, "Nigeria can only pay her external debts if she is economically alive and kicking."[60]

Devaluation and SFEM

The most far-reaching IMF condition is devaluation of the naira. Since the Nigerian public resoundingly rejected outright devaluation, the Babangida regime could not openly accept this term. Instead, it opted to achieve the same end by creating a Second-tier Foreign Exchange Market (SFEM) in which local banks are free to buy and sell foreign currency at rates determined by market forces of supply and demand. Most public sector and all private transactions are now channelled through this market. Only debt repayments and contributions to international organizations are pegged at the official rate of exchange and handled through the first-tier market (the Central Bank). In addition, the government is allowing the official rate to continue to decline in value.

The new scheme opened on September 26, 1986, with the naira exchanging for about 22 U.S. cents (₦4.62 = $1). In one week, the naira had

57. Harden, "Ceiling"; **African Guardian,** January 16, 1986, pp. 13, 15; Ottaway, "Debt." At the same time, the government reportedly decided to repay only one-third of Nigeria's current trade debt. Gargan, "Nigeria's Economy."

58. **Africa Analysis,** No. 1, July 11, 1986, p. 3.

59. **Christian Science Monitor,** October 7, 1986, p. 13.

60. Ashikiwe Adione-Egom, "Start of a New Era," **African Guardian,** January 16, 1986, pp. 18, 15.

The crucial issue in this regard concerns the economic path which Nigeria will follow. The external creditors demand that Nigeria open its doors to further penetration by foreign capital, particularly transnational agribusiness corporations. In the blunt terms of **The Economist,** (May 3, 1986, Survey 8), foreign exporters "have made huge fortunes out of Nigeria, and would like to make more." The World Bank continues to loan to Nigera for purposes such as "stimulating growth in private industry" and to promote inappropriate and discredited agricultural production projects. "World Bank Loan For Nigeria," **Daily Times,** September 20, 1985, p. 12; **Africa Analysis,** July 11, 1986, p. 4; Peter Koehn, "Agricultural Policy and Environmental Destruction in Ethiopia and Nigeria," **Rural Africana** 25-26 (Spring-Fall 1986):31-44.

declined in value by 70 per cent against the dollar.[61] By early December 1986, one naira was worth about 28 U.S. cents on the Second-tier Foreign Exchange Market.

The SFEM alternative to outright devaluation has been acceptable in principle to the IMF, to Nigeria's international creditors, and to most Nigerians. From the beginning, the Fund and the creditors viewed SFEM's existence as the functional equivalent of an outright devaluation which would deflate the value of the naira far in excess of what the IMF originally asked for. They also saw this step as introducing freer trade since it would make the stringent import controls and the 30 per cent generalized import levy *depasse par l'histoire*. General Babangida's June 29, 1986 "State of the Nation" broadcast supported this interpretation. After announcing the proposed SFEM, he stated that the existing import levy and restrictions "would give way to a new profile of import tariffs and excise duties."[62]

Nigerians accepted SFEM, in principle, as the lesser of two evils. They foresaw an end to the import levy,[63] import licensing, direct foreign exchange allocation, and the accompanying bureaucratic bottlenecks and corruption. Furthermore, SFEM essentially replaces the Exchange Control (Anti-Sabotage) Decree of 1984. The latter's iron-fisted approach to foreign exchange management had made it nearly impossible for people to remit small amounts abroad, had encouraged a thriving black market as well as international drug trafficking, and had resulted in long jail terms for minor foreign exchange offences and executions for suspected drug runners. On its part, the Nigerian business sector looked forward to benefiting from an end to what the permanent secretary who initiated SFEM described as "an anachronistic exchange control posture" which gave rise "to all kinds of devices for siphoning foreign exchange away from Nigeria" and guaranteed that "while the rest of the world lined out red carpets to ensnare foreign currency from other countries, we were building iron fences to keep foreign money out of Nigeria."[64] Some crystal-ball gazers even expect SFEM to knock a hole in Nigeria's notorious import-based consumption pattern by raising the exchange rate to such a high level as to discourage frivolous importations as well as to force import-dependent industries to seek alternative domestic sources.[65] Consequently, the proponents of the new approach anticipate that a fundamental

61. **Christian Science Monitor**, October 7, 1986, p. 13.

62. **Business Concord** (Lagos), July 8, 1986, p. 14.

63. Godfrey Umesi, "Goodbye to Import Levy," **Business Concord**, July 8, 1986, p. 14.

64. C.O. Ibie, "How Not to Use the Second Tier Exchange Market," **Business Concord**, July 8, 1986, p. 6.

65. Eric Ohale and Nkem Ossai, "The Bumpy Journey to a Second Window," **The Guardian**, July 13, 1986, p. 9.
The immediate effects of SFEM include the resuscitation of traditional crafts and manufactures such as soap, the latest fashions in local textile products, etc. and greater efforts to search for domestic inputs and components. For instance, a nearly all-corn bread is being perfected by the Nigerian Institute of Industrial Research, Oshodi, and "FAMOS" beer is being made entirely from local grains. See **Sunday Tribune**, November 30, 1986, p. 1.

structural reorganization of the Nigerian economy will occur — provided that the citizenry can tolerate the prevailing harshness of life for long enough.

Apprehensions and skeptics also exist. In the wake of SFEM, imported inputs have become so expensive that industries must continue working at less than one-third of capacity, unemployment remains high, and the cost of manufactured goods (both domestic and foreign) increased several fold. For instance, the large packet of Omo detergent, which had sold for ₦3, went as high as ₦20 before stabilizing at ₦12. Electronic products and refrigerators more than quadrupled in price. Volkswagen cars previously selling at around ₦6,000 shot up to over ₦26,000 and Peugeots increased to ₦35,000 from ₦10,000 before SFEM. The government fixed a return air ticket from Lagos to New York, including airport levies, at approximately ₦2,900. One can contrast this charge with the pre-SFEM cost of ₦9[illegible]0. The high cost of air fares has led to a sharp decline in international travel in spite of an increase in the BTA to ₦500 and reduction of the airport levy to ₦50. This, in turn, has resulted in reduced smuggling of consumer items which previously supplemented official imports and domestic production, and has further fueled inflation.

Other concerns center on operational bottlenecks, the ubiquitous corruption that could easily sabotage the scheme, and the uneven impact of SFEM. Principal among the operational bottlenecks is the scale of foreign exchange funding required to ensure hitch-free operation of the market. A conservative estimate by the Central Bank of Nigeria put the figure at $100 million a week if confidence in the market is to be ensured and speculative buying, hoarding, and growth of a parallel unofficial black market are to be prevented.[66] The Central Bank, the main source of supply, could only provide $50 million a week from official reserves. Among the other potential sources of supply, the domicilliary foreign exchange accounts of Nigerians in local banks are estimated to be worth no more than $5 million. The World Bank's one-time loan of about $450 million for the purpose of SFEM averages less than $9 million a week. The "25 per cent of foreign currency proceeds" which private exporters are allowed to retain cannot amount to a sizeable sum since there are few exports other than officially handled petroleum and agricultural products. Other anticipated sources (such as the unspent surplus of foreign currency held by Nigerians or brought in by foreigners for tourism and direct purchases or investments) are too insignificant to be a major source

66. **Business Concord**, July 4, 1986, p. 2.

of foreign exchange for SFEM.[67] From all sources, the Central Bank managed to inject around $70 million per week into the market, varying the exact amount in its attempt to establish a stable rate of exchange.

There is fear, too, that the foreign exchange market will be cornered by a few financially powerful organizations and individuals, including commercial banks, the officially designated dealers. Given that commercial banks are among the most corrupt institutions in Nigeria, their pivotal role in SFEM is suspect to begin with.[68] In an effort to allay this fear, curtail speculative buying, and protect financially less powerful organizations, the Central Bank decided to sell foreign exchange to the commercial banks at the rate they individually bid, while permitting them to sell at a specified rate marginally above the buying rate. Even so, SFEM unleashed pent-up demands for foreign exchange by large firms hitherto compelled by import licensing and foreign exchange allocations to operate below capacity and by corporations with foreign interests which have had huge sums tied down in unremitted profits on account of the extant squeeze on foreign exchange.[69] Some commercial banks have colluded with these companies to make SFEM a conduit for siphoning off potentially vast amounts of foreign exchange, thereby facilitating massive capital flight and promoting the elimination of small- and medium-scale enterprises which lack the financial strength and connections that count most in a market system. It is not surprising, therefore, to find that commercial banks are making money from SFEM. The First Bank of Nigeria, Union Bank, and United Bank for Africa all declared even more massive profits in 1986 than they had in the two prior years.[70]

Ultimately, the basis for apprehension lies in the demonstrated incapacity of Nigerian governments to devise and implement a policy that defies corruption and in the susceptibility of the Nigerian marketplace to speculation, unscrupulous manipulation, and galloping inflation.[71] This pessimistic perspective stems from the corrupt practices engaged in by the makers and executors of public policy themselves[72] and the prevailing social values and business standards which accomodate such behavior.[73]

67. *Ibid.*; "SFEM Under the Microscope," **The Guardian,** July 13, 1986, p. 9.

68. Oliver Ibekwe, "The Alternative to SFEM," **The Guardian,** August 1, 1986, p. 9.

69. It is estimated that $3.5 billion and $500 million, respectively, are involved for the two sets of companies. **Business Concord,** July 4, 1986, p. 2.

70. See **Business Concord,** May 12, 1987, p. 22.

71. For a particular pessimistic economic forecast, see Oliver Ibekwe's assessment in **The Guardian,** August 1, 1986, p. 9.

72. Effiong Essien, "Question Time on SFEM," **The Guardian,** July 9, 1986, p. 9; Chinua Achebe, **The Trouble With Nigeria** (London: Heinemann 1983), pp. 42-3; Peter Koehn, "The Role of Public Administrators in Public Policy Making: Practice and Prospects in Nigeria," **Public Administration and Development** 3, No. 1 (1983):18-20; and Peter Koehn, "'Development' Administration and Land Allocation in Nigeria," **Rural Africana** 18 (Winter 1984):73.

73. For instance, **The Economist** (May 3, 1986, p. Survey 12) maintained that "everyone knows that a two-tier exchange rate would open the door to massive cheating by a business class that has become expert at getting around regulations."

External Debt

The introduction of SFEM paved the way for new arrangements dealing with Nigeria's external credit obligations. In November, the government reached a rescheduling accord with representatives of its commercial bank creditors that included a ten year postponement in complete repayment of the $1.5 billion in principal originally due between 1 April 1986 and 31 December 1987 and a four year grace period that only requires interest payments. This debt rescheduling agreement opened the way for Nigeria to receive $320 million in new foreign trade loans from commercial banks and for disbursal of a $452 million foreign trade promotion and export development loan from the World Bank.[74] Within two months, moreover, the Bank had promised to grant Nigeria $4.3 billion in project loans over the next three years.[75]

Concluding Assessment

We have identified several advantages of Nigeria's short-lived tight foreign exchange control strategy over the IMF's prescription for economic prosperity. The principal benefits of foreign exchange strictures over SFEM in terms of a policy of economic self reliance are (1) that the former can be selectively employed to control access by type (e.g., replacement parts and/or new industrial machinery can be exempted), while the latter distributes foreign currency primarily according to individual or corporate purchasing power on the open market; (2) the first approach is predicated upon domestic resourcefulness, whereas SFEM facilitates and promotes foreign penetration via corporate investment and new loans; and (3) the independent foreign exchange control strategy involves no obligations or pressures to implement the other odious conditions contained in the typical IMF package. Under SFEM, in sum, there is little prospect of rectifying the entrenched structural problem of dependency which afflicts Nigeria's economy. The Nigerian experience also shows that the western financial establishment will firmly resist radical alternatives to currency devaluation and the other IMF conditionalities. This means that any country which embarks upon an independent strict foreign exchange control strategy must be prepared to forego debt rescheduling and additional loans — an outcome which could prove to be in its long-term interest.

74. S. Karene Witcher, "World Bank Approves Loan to Nigeria to Aid Nation's Bid to Liberalize Trade," **Wall Street Journal,** October 16, 1986; **New York Times,** November 22, 1986.

75. **West Africa,** January 12, 1987, p. 47. Cheryl Payer points out that the World Bank has begun to take over for the IMF as the latter becomes increasingly discredited in the Third World. See Cheryl Payer, "The World Bank: A New Role in the Debt Crisis?" **Third World Quarterly** 8 (April 1986):659-76.

Although some early positive indications could be discerned, we are not able to assess the long-run economic impact of the foreign exchange control strategy given the nature of the particular case under scrutiny in this article. The overthrow of the Buhari regime in 1985 meant that the forced Nigerian experiment outside the IMF framework would not be given a chance to succeed. In addition, the approach is problematic in political terms. The 1984 foreign exchange control regulations led to economic hardship and suffering, particularly for influential citizens. It is not certain that any government could maintain such strict measures without incurring significant political unrest and/or inviting a coup d'etat.

SFEM has been sold as a milder, market-imposed rather than government-imposed "alternative" to official devaluation, the main IMF conditionality, and to the 1984 regulations. We have suggested that the short-term outcome of the scheme will depend upon the government's ability to plug all possible loopholes that could lead to abuse of the market, to reduce to the barest minimum the incidence of corruption, and to cushion the inevitable inflationary spiral. It is difficult to envision the Nigerian public sector making substantial progress in addressing such fundamental challenges.

Nigeria's recent experience with IMF conditionality has been influenced by external pressure, internal debate, and the dramatic drop in the price of a barrel of crude. Over the past four years, citizens and policy makers have unquestionably gained greater awareness of the negative domestic consequences associated with Fund "remedies." Nevertheless, the Babangida government had set virtually all of the IMF's conditions in place or in motion within Nigeria by the end of 1986. In our assessment, the post-coup measures introduced by Nigeria's latest military regime are more accurately described as capitulation to IMF and creditor demands than as independent economic policy making. They amount to a reversal of the previous government's efforts to replace Fund conditions and loans with strict foreign exchange controls. This case study demonstrates that the international financial establishment will mobilize its forces to resist fundamental challenges to its authority and objectives. Acting alone, and confronting low prices for crude oil on the world market and a receptive new military regime, the Nigerian public proved to be no match for the unified counter attack mounted by the country's creditors.

In the first submission of this article in June 1985, we suggested that Nigeria would not progress toward national economic recovery and self-reliant development if the government accepted IMF conditionality and secured the proposed loan. That critique is as relevant and compelling today.

To begin with, the new loans saddle Nigeria with an additional debt burden. Rescheduling buys time, but at the cost of more onerous repayment

terms.[76] Furthermore, regeneration of the Nigerian economy would be impeded by some of the IMF's conditions. Let us examine the devaluation requirement, for instance. This condition is defended on the grounds that devaluation makes local products cheaper, leads to increased exports, and thus prompts higher production. At least one prominent spokesman for the Nigerian business community, Dr. Michael Omolayole, Chairman of Lever Brothers, supported devaluation on the grounds that it would make locally manufactured goods competitive on the world market.[77] The first problem with this argument is that it only works for an industrialized, export-oriented economy. Nigeria, however, is hardly an industrialized country and it exports no manufactured products. Its chief export, petroleum, already is priced in dollars. Devaluation of the naira brings no benefits to Nigeria in terms of increased sales of crude oil. Most of the country's main potential agricultural exports, commodities such as rubber, palm kernal, and palm oil, take years to cultivate and, therefore, are not likely to show a substantial response immediately to reductions in the naira's value, or even to the abolition of the country's exploitative marketing boards. In the Nigerian case, moreover, industrial machinery and spare parts will have to be imported at far greater expense if the country is to develop its export and import-substitution capacity and break out of its dependent economic position. In order to avoid starvation and feed the nation's rapidly growing population at required nutritional standards, Nigeria will be forced to continue to import a major proportion of its food needs regardless of cost. Sustained self-sufficiency in food production is not on the Nigerian horizon.[78]

The main result of devaluation is higher inflationary expectations and spiraling domestic prices, especially for food. Since Nigeria provides a seller's market for imports owing to dependency and oligopoly, cost is rarely the principal determinant of prices. For instance, a sack of rice cost 21 naira in early 1983 when it at arrived at the port. After passing through several middlemen, the same sack of rice sold for as much as 80 naira to the consumer. In the words of one economist, "a 400% increase from offshore cost to consumer price can only represent a frightful and unjustified tax."[79] Devaluation offers more numerous and perhaps even more lucrative opportunities for "taxing"

76. See Chandra S. Hardy, "Africa's Debt: Structural Adjustment With Stability" in Berg, Robert J., and Whitaker, Jennifer S. (eds.), **Strategies for African Development** (Berkeley: University of California Press, 1986), pp. 463-4.

77. **The Guardian,** August 21, 1984.

78. Peter Koehn, "African Approaches to Environmental Stress: A Focus on Ethiopia and Nigeria" in Richard N. Barrett, ed., **International Dimensions of the Environmental Crisis** (Boulder: Westview Press, 1982), p. 263; Timothy M. Shaw and Orobola Fasehun, "Nigeria in the World System: Alternative Approaches, Explanations, and Projections," **Journal of Modern African Studies,** 18 (December 1980):561; **Africa Analysis,** July 11, 1986, p. 4.

79. **New York Times,** January 20, 1984.

the urban poor. Thus, Nigeria's working class and its 5 million unemployed job seekers must assume the heaviest burdens imposed by devaluation and rising food prices.[80]

The IMF demand that Nigeria liberalize its external trade policy has been aptly described by a former finance minister as "an invitation to commit suicide."[81] Nigeria's propensity to import may be the highest in Africa. Relaxation of import restrictions allows the renewed importation of luxury products such as automobiles, refrigerators, VCRs, television and stereo sets, lace and polished cotton cloth, fashionable shoes, etc. — in place of industrial machinery. Domestic import-substitution industries, whose products Nigerians shun in favor of "the original" (identical, but foreign-made), would suffer further decline and produce even higher rates of unemployment. The 1984 foreign exchange regulations, coupled with restrictive controls on imports, ensured that essential raw materials, equipment, spare parts, and food consumed scarce foreign exchange. This approach constituted a more rational and effective method of restraining imports in comparison to the IMF's preferred drastic devaluation of the currency.

In sum, the approach to stabilization and recovery initiated by the Buhari regime makes more economic and political sense for Nigeria than the IMF's package does. The cornerstone of this program is stringent foreign exchange control; the emphasis of the Fund and the successor Babangida administration is on substantial devaluation of the local currency.[82]

If the exchange control/import restriction strategy holds out greater economic promise and is politically more acceptable, why does the IMF insist on the implementation of packages which only lead to the further deterioration of conditions in adopting Third World countries? One answer to this question can be found in the Fund's raison d'etre. The IMF is designed to maintain the restructured international trade system and to stabilize the international monetary system. This dual task is ostensibly economic, but in essence political. Since 1945, the Western powers which have dominated the global economy have viewed the IMF as a political instrument for the propagation of capitalism. External capital is to be stimulated to flow into "developing" economies through trade liberalization and the creation of a favorable climate for direct foreign investment.[83]

80. Blackburn, "Year of the IMF?" 20 .

81. **West Africa,** October 22, 1984, p. 2113.

82. **The Economist,** May 3, 1986, pp. Survey 8, 12.

83. Joan E. Spero, **The Politics of International Economic Relations** (New York: St. Martin's Press, 1981). The World Bank has the same primary mission. Payer, "The World Bank," 667.

The IMF promotes the flow of private foreign capital by insisting on certain types of internal reform programs and policy measures that rely on free enterprise economic principles. The typical stabilization program involves both economic and political requirements designed to curtail anti-capitalist propensities and economic independence. The economic components, usually including favored treatment of foreign private investment and devaluation of the local currency as well as liberalization of trade, are aimed at "denationalizing" the recipient economy and making it dependent, via transnational corporations, on Western capitalist institutions. The political components, typically including cut backs in government expenditure, elimination of state subsidies, reorganization of public enterprises, trimming of bureaucracy, and termination of barter trade (frequently with the Soviet Union), are intended to "de-socialize" the economy.[84]

Ironically, its essentially political ends, to be achieved by economic means, create dilemmas for the IMF. It must insist upon programs that it knows are injurious to the domestic economy of Third World countries that have accumulated vast outstanding debts to Western financial institutions. One IMF official acknowledged that Nigeria's devaluation controversy "can raise a lot of problems for the government," and that "it is a dilemma, but there is no other alternative."[85] In fact, there is at least one other option: the foreign exchange control-based approach. However, this alternate route undermines the IMF's authority to control a country's economic policies in the short run and, in the long run, threatens to enhance self-reliant development and independence from Western transnational corporations.

The prospect of successful economic adjustment outside the IMF framework clearly is not in the interest of the Fund and the Western powers.[86] Such an outcome in Nigeria would pose a major threat to the IMF's authority elsewhere in the Third World and reduce the leverage of Western institutions concerned with enforcing a dependent "solution" for debt crises. This explains the economic pressure which Nigeria and other Third World countries experience to accept a package which would exacerbate a serious economic situation and perpetuate dependence.[87]

84. Hutchful, "Ghana."

85. **Washington Post,** March 9, 1984; also "Agonies of Adjustment," **West Africa,** October 1, 1984, pp. 1981-2.

86. See "IMF/Africa: Applying Pressure on Nigeria," **West Africa,** October 22, 1984, pp. 2113-4. For a more recent case in point, see Eric N. Berg, "I.M.F.-style Pact Seen for Brazil," **New York Times,** February 25, 1987, p. 25; Leonard Silk, "Brazil's Battle Against Banks," **New York Times,** March 4, 1987, p. 26.

87. See "Surviving Our Creditors," **The Guardian,** August 27, 1984; Ibrahim Dogo, "The Political Economy of the IMF Loan (3)," **New Nigerian,** September 21, 1985, p. 5; "Applying Pressure on Nigeria," **West Africa,** October 22, 1984; "Creditors Want IMF Approval," **Nigerian Tribune,** March 29, 1986, p. 1; Isebill V. Gruhn, "The Recolonization of Africa: International Organizations on the March," **Africa Today** 30 (No. 4, 1983):46.

In conclusion, our analysis of the Buhari administration's foreign exchange control strategy indicates that this approach contained some of the elements needed to set Nigeria on a more self-reliant economic path. It is more difficult to envision such potential in current policy. SFEM invites increased direct foreign investment. New loans and rescheduling, designed in part to finance food and other imports,[88] show little promise of leading Nigeria away from a state of perpetual debt crisis. At some point in the future, then, policy makers may once again decide to pursue alternatives to IMF conditionality and deeper indebtedness. The brief historical period when Nigeria exhibited a measure of national economic independence and rejected Fund terms and funds would merit reconsideration at that time.

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88. *Christian Science Monitor*, October 7, 1986, p. 13.

Oil Workers and the Oil Bust in Nigeria

Terisa E. Turner

Nigerian Oil Workers' Song*

Oil job is not good.
Who can make soup with oil?
Who can drink oil?
Impossible!
The white man's trouble is more than oil.
They want us to work hard
But don't want to pay us well.
The rich eat while the poor work.

The oil boom of the 1970s involved an historically unprecedented transfer of funds from oil importing to developing oil exporting countries, members of OPEC (Organization of Petroleum Exporting Countries). Massive cash transfers fueled a kind of import-dependent industrialization, and more important, it established the state as the economic arbiter. The service sector in all OPEC countries expanded the most. Inflation, commoditization and urbanization coincided with the decline of agriculture and crafts. Then in the early 1980s the oil boom ended. Only now are analyses of the significance of the boom and bust on OPEC societies beginning to be made. The following discussion of one section of the Nigerian working class seeks to direct attention to oil workers as active agents in the chaotic aftermath of the oil boom.

What are the social implications of the global oil price collapse? This question is posed by the United States Central Intelligence Agency, by the United Nations, by governments, aid agencies and independent analysts. Theory suggests that sudden declines in the quality of life spur popular protest especially

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*This song is sung by roustabouts and oilfield laborers in the bars of Warri, Bendel State, Nigeria. It is translated into standard English from pidgin by Julius Ihonvbere, "Resistance and hidden forms of protest amongst the petroleum proletariat in Nigeria," mimeo, University of Port Harcourt, Energy and Social Relations Research Group, October 1985.

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Exchange rates: In 1984 one Nigerian naira equalled about \$1.30. In 1985-1986 a naira was worth about \$1.00. When the second tier exchange rate was introduced via an on-going currency auction in late 1986, the naira's value fell to the present level of one to about \$0.30.

when elements in key economic positions expect improvements. Frequently the social system itself is targeted as the source of disappointment. Systemic frustration is a powerful spur to political mobilization. Islamic fundamentalism articulates this groundswell in the Middle East, North Africa, and in countries such as Nigeria where half the population is Muslim.

In oil-rich countries there has been a rapid, profound proletarianization of erstwhile peasants, traders and craftspeople (petty commodity producers). Many workers were imported. The expulsion of three million guest workers from North Africa and the Middle East and two and a half million from Nigeria since 1983 has diffused social tension somewhat. Repatriation also exports tension as guest workers join the reserve army of labor at home. The workers at the heart of the 1973-1983 oil boom and subsequent five years of recession are employees in the oil industry itself. Not only do they have their fingers on the industry's pulse, but also, as oil falters, they witness directly the negative results of foreign and state control of a wasting, strategic national patrimony.

Oil workers have been organized by major oil companies into corporate networks which empower them to take action, locally, nationally, regionally and internationally. Their potential for action in the realm of political economy is extensive compared to that possessed by workers in pre-oil organizations such as agricultural or trading firms. Oil workers have reason to be frustrated; they can identify the social origins of their dilemmas and they have the organizational capacity to transform power relations in the oil industry. Revolutionary ideologies, both nationalist and internationalist, are available to promote cohesion. Given these ingredients, what outcomes might be expected?

In the Nigerian case, the oil bust has brought local labor and foreign capital into a type of direct conflict that is hitherto unprecedented. The Nigerian bourgeoisie both in and out of the state, has been discredited by its own corruption and incompetence both abroad and at home. It is therefore less effective as a mediator and a buffer. The most dramatic manifestation of the Nigerian working class and intelligentsia in conflict with international capital was the rejection in late 1985 of an International Monetary Fund loan. A new military cabal seized power in August 1985, and seeking legitimacy, threw the issue of IMF conditions open to press and public debate. A resounding "No!" stymied the state. The junta had to declare negotiations with the IMF closed.

However, international capital did secure substantial advantage: the dollar value of Nigerian currency was slashed four-fold, import restrictions were lifted, import licenses abolished, privatization initiated, subsidies removed, wages frozen, price controls lifted, jobs cut, the minimum wage eliminated and profitability of foreign investment (especially in oil) enhanced. In return for this structural adjustment program (June 1986 to December 1988) the government received a new debt repayment timetable along with new loans from

the World Bank and commercial sources. Currently economists from Washington D.C. virtually run Nigeria's Central Bank and finance ministry. In short, IMF conditions were imposed through the back door and under different names. The military regime is being bolstered by outside advisors in order to impose the IMF package. While private foreign capital gains, ordinary Nigerians are pushed further into more or less desperate strategies to avoid destitution and death.

The peasantry is being systematically dispossesed of its land by the World Bank and other agro-industrial schemes. The waged working class has been reduced severely by layoffs. The possibilities of securing the ever more necessary cash through waged work, trade or agricultural pursuits are shrinking. Growing throngs of absolutely poor people congregate in cities, a fertile recruitment ground for Islamic and other religious messiahs offering deliverance through militancy. The military regime is able to enforce only a partial order. As the legitimacy of those in power erodes, the questions of control over the national economy, and especially over the oil industry, are more sharply posed.

It is widely believed that by the early 1990s today's oil recession will be replaced by another oil boom, especially for OPEC producers. The proletarian social forms in embryo today will by then have a degree of maturity. The scenarios now evolving will play out on that future stage. Hence it is of interest to investigate the impact upon a key element of Nigeria's protetariat, the oil workers, of the current oil bust.

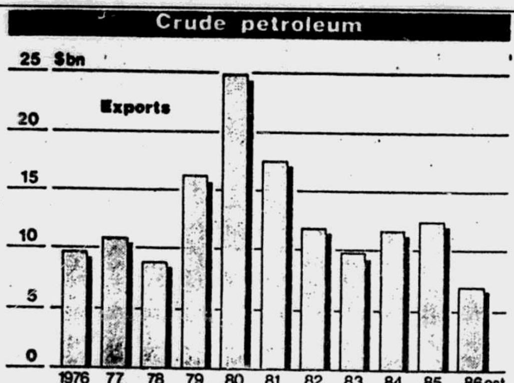
The oil recession of the 1980s and crash in prices at the end of 1985 coincide with the emergence of new alignments and developments among Nigerian oil workers. Retrenchment reduced their numbers and repression weakened their unions. The crisis fed ethnic tensions. On the other hand, the failure of Nigerian and foreign oil management to keep the industry healthy has spurred the formation of a strategic core of radicalized workers. Grassroots networks have been formed to reorient the industry in the national interest.

This development is in its early stages. But it is important because of the strategic relationships between oil workers and the rest of Nigeria's political economy. Of all workers, those in oil are the most highly-trained and educated. They are almost all literate and English-speaking. They operate sophisticated technology, central to which is the most advanced communications and transport equipment on the world market. Because oil is a dangerous fluid, flowing 24 hours a day nonstop, the work rhythm must be continuous. Any slowdown of pace, any accident or wildcat strike, affects the total system in Nigeria and possibly abroad. Oil workers are links in the lifeline of international oil. Nigerians pump about 1.5 million barrels of oil each day into that global energy system. They are aware that the dollars generated by their labor constitute the financial foundation of the state.

Iranian oil workers demonstrated their social power by striking in 1978-1979 and forcing the explusion of the Shah.[1] Nigeria's historical trajectory lacks the decades of experience with oil and super power politics that formed the bedrock of Iran's uprising. But it does embrace the 1967-1970 civil war in which oil workers fought for secession of oil-rich Biafra. And in Nigeria, the international oil industry has organized a petroleum proletariat which shares the capabilities of its counterparts in Iran and elsewhere. The national crisis has sharpened the questions: "Who is capable of running the industry? And in whose interests?" This discussion considers how the bust has shaped the relationships in which Nigerian oil workers are enmeshed. It highlights the emergence of a network concerned with workers' control.

The oil bust

A strong local trading class controls the Nigerian state and promotes commerce, in such a way as to retard growth of capitalist production. Nigerian



Source: IFS Wharton Econometrics

1. Terisa Turner, "Iranian Oilworkers in the 1978-1979 Revolution," in Peter Nore and Terisa Turner, (editors, **Oil and Class Struggle**, Zed Press, 1980, pp. 272-302.)

NIGERIA: Oil Companies Operating in 1985
(list of rightholders)

			Sq.km. held as of 31 Dec. 1984	Changes in area
AGIP 1	Nigerian AGIP Oil Co. (optr)	20.0%	5,259.00	0
	Nigerian National Petroleum Corp.	60.0%		
	Phillips Oil Co. (Nigeria) Ltd.	20.0%		
AGIP EN	AGIP Energy & Natural Resource	100.0%	19,664.70	0
ASHLAND	Ashland Oil Nigeria	100.0%	1,119.00	0
ELF 1	ELF Nigeria (optr)	40.0%	8,255.60	0
	Nigerian National Petroleum Corp.	60.0%		
GULF 1	Gulf Oil Co. (Nigeria) Ltd. (optr)	40.0%	14,138.00	0
	Nigerian National Petroleum Corp.	60.0%		
MOBIL 2	Mobil Producing Nigeria (optr)	50.0%	974.00	0
	Sun DX Nigeria	12.5%		
	Tenneco Oil of Nigeria	37.5%		
NIGUS	Nigus Petroleum Nigeria	100.0%	1,025.00	0
NNPC	Nigerian National Petroleum Corp.	100.0%	21,135.00	0
PAN 1	Nigerian National Petroleum Corp.	60.0%	1,005.00	0
	Pan Ocean Oil Co. (Nigeria) Ltd. (optr)	40.0%		
PHILLIPS	Phillips Oil Co. (Nigeria) Ltd.	100.0%	232.00	0
SHELL 1	Nigerian National Petroleum Corp.	80.0%	31,909.00	0
	Shell Pet. Dev. Co. of Nigeria (optr)	20.0%		
TEXACO 1	Chevron Oil Co. (Nigeria)	20.0%	2,570.00	0
	Nigerian National Petroleum Corp.	60.0%		
	Texaco Overseas (Nigeria) Pet. (optr)	20.0%		
Former Rightholder:				
ELF NIS	ELF Aquitaine Nigeria Services	100.0%	0	-23,320
	Country Total		109,938.00	-23,320

Source: Petroconsultants (Geneva), **Nigeria, Annual Report 1984**, April 1985.

rulers rely on foreign firms, notably the oil companies, for funds, support and commercial deals.[2] Through import license rackets and a host of corrupt

2. In 1914 the Anglo-Dutch partnership Shell-BP was granted 100 percent of the territory of the West African colony of Nigeria by the British authorities. Oil exports began in 1957, three years before independence. Today nine multinational oil companies in partnership with the state-owned Nigerian National Petroleum Corporation (NNPC) exploit Nigeria's oil wealth.

mechanisms, public funds from oil sales have been systematically funneled into private accounts. Primitive accumulation through grandiose theft has left the society of some 100 million in chaos and poverty.[3]

Revenues from oil exports peaked at $25 billion in 1980, but dropped to under $10 billion in 1983 and to $7 billion in 1986. Falling oil prices (which averaged $14.03 a barrel in 1986 compared with $28 a barrel in 1985) resulted in a 44 percent drop in government revenues, a ₦763 million current account deficit and a 3.3 percent drop in GDP in 1986 (to ₦25.3 billion). Service on debts of some $20 billion amounted to over half of export earnings, 96 per cent of which come from oil sales. From a position of weaknesss and instability the soldiers sought any compromise with creditors which would secure imports essential to keep them in power.[4] The oil bust forced the closure of assembly industries which relied on imports. Industrial capacity utilization varies from about 10 percent in import-dependent assembly industries like electronics to 60 percent in the textile industry and some of the agro-based industries. Capitalist agriculture was also unable to secure fertilizer and technology from abroad, due to the dollar shortage. Food imports had soared during the oil boom years. When foreign exchange could no longer pay for food, shortages became acute. The devaluation of 1987 has more than tripled the cost of imports. An atrophied and distressed peasant sector is unable to meet the swollen urban demand. Hunger, disease and death are on the rise, especially among women and children.

Popular responses to the crisis include internal "border wars" and "incidents" between neighboring communities. These clashes dramatize competition for scarce farming land and fishing grounds.[5] Urban dwellers forced back to the countryside cannot easily be reabsorbed into a peasant society subsisting on communal and family property. Market women have closed stalls, marched on the military governor's office in Benin and forced a rollback of new levies and fees. Armed robbery is escalating. Selected businessmen and high officials have been assassinated, including a wife of a former head of state, Olu Obasanjo. Robin Hood style bandits are lionized in the press. One of the most famous bandits, Lawrence Anini (now executed), robbed a bank in October 1986 and scattered the money in a village market, declaring that "the police will never win the war against criminals as long as unemployment and poverty continue."[6] Dozens of poor citizens have been executed by firing squads for alleged armed robbery. Many defy the state with flamboyant oratory before mammoth crowds at these public executions. Strikes have flared up with mixed success. Student militancy has been met with massacre and so-called religious riots multiply and spread.

Oil workers have experienced the contraction and deterioration of the oil industry. Production is down from the 2.5mbd (million barrels a day) level attained in 1979 to the reduced OPEC quota of 1.238 mbd as of February 1987. The number of exploratory and development oil wells drilled in the country dropped from 191 in 1981 to 67 in 1985 and in 1986 only 12 exploration wells were drilled.[7] Funds for new work and maintenance are short. In February 1987 the trade association of multinational oil subsidiaries in Nigeria complained that the Nigerian National Petroleum Corporation (NNPC) was at least four months behind in schedule in paying its share of drilling costs. It would cost some $2 billion to bring production capacity up to the 1979 level.[8]

While the external causes of the oil bust are recognized, the crisis has focused attention on internal mismanagement of the industry and lack of petroleum policy direction. As funds become less available, the scramble for illicit gain intensifies. The power of the Nigerians at the top, the "big men," has been demystified. As one lower-rank manager observed, "If they can't keep the industry running, we have to do it, only we can do it."[9]

With the price crash, foreign oil companies are maneuvering to reestablish control. Four instances of this development may be mentioned. First, oil majors are seeking to improve their rates of return as a condition for new investment. A spokesperson from the oil producers' trade association stated in February 1987 that further "sweeteners" are necessary to attract international oil companies to explore in Nigeria. "Companies need to be guaranteed a quick return on investment. They need to be able to bring new finds into production quickly. Some form of capital allowance would also be an incentive."[10]

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3. For a discussion of Nigeria's comprador state, see Terisa Turner, "Multinational corporations and the instability of the Nigerian state," **Review of African Political Economy**, No. 5, January-April 1976, pp. 63-79. An account of the theft of oil and oil revenues in the 1979-1983 period may be found in Terisa Turner, "Nigeria's oil fraud exposed," **New African**, April 1984, pp. 11-15.

4. Total medium and long-term external debt is put at $11.68 billion as of November 1986, while external short-term commitments were estimated at $6.73 billion, making a total of $18.41 billion. In 1986, the government paid out $1.01 billion in payments on medium and long-term debt and $873 million in interest on promissory notes and letters of credit, which represented a debt service ratio of approximately 28.9%. In 1987 the debt service ratio projected by the Ministry of Finance is 21.6%, based on interest and principal payments of $1.6 billion.

5. Under the IMF-inspired structural adjustment program, Nigeria's indigenization policy has been cut back to allow foreigners to take an 80% controlling interest, up from 49%, in large-scale agricultural production schemes ("plantations for trees, tree crops, grains and other cash crops"). The World Bank and multinational corporations (ELF, UAC, Cadbury) exacerbate land shortage by acquiring peasant communal land through the 1979 Land Use Act which vests land ownership with state governments.

6. **New African**, No. 235, April 1987, p. 14.

7. **Platt's Oilgram News**, Vol. 65, No. 24, February 5, 1987, p. 2.

8. The NNPC has a 60% stake in joint production ventures (80% with Shell). **Platt's Oilgram News**, Vol. 65, No. 23, February 3, 1987, p. 3, and Vol. 65, No. 25, February 5, 1987, p. 2.

9. Interview with NNPC official, New York, March, 1986.

10. **Platt's Oilgram News**, Vol. 65, No. 23, February 3, 1987, p. 3.

Second, gains in the campaign to Nigerianize the workforce are being eroded. At their 1987 conference Nigerian petroleum engineers decried mounting reliance on foreign technology which drives up the dollar cost of oil production. This reduces state oil income, retards Nigerian technology development and denies work to nationals. While collaboration between top oil bureaucrats and foreign firms profits both, goals of OPEC unity, national control over oil, workers' rights and good oilfield practice become less attainable.

Third, with the bust and debt crisis, oil and energy policy are increasingly defined by the IMF and World Bank consistent with the interests of major oil companies. The World Bank refused to follow through on a $200 million loan commitment for a gas pipeline to fuel Lagos' Egbin power plant until Nigeria cut subsidies on local oil products. In compliance, the cuts were made in January 1986.[11] But then the World Bank made new demands, "insisting on the NNPC letting the major foreign operating companies share in the project as a precondition for the release of its money."[12]

Fourth, oil majors want to extend the duration of the 20 year oil leases to 30 years onshore and to 40 years offshore. This would reinstitute a 1914 colonial ordinance and revoke permit provisions of the 1969 Petroleum Decree. Shell is leading the pressure for reactivation of the 1914 ordinance. The Anglo-Dutch firm's land leases ought to have expired in 1980 and 1982 while those of other oil companies were due to expire by June 1987. A letter from the Energy Ministry's Inspection Division underlined to the Ministry of Justice the "serious adverse consequences the continued delay in the resolution of the impasse is going to have on the nation's overall revenue generation."[13] A faction within the Energy Ministry appears to favor concessions to the oil majors. Oil Minister R. Lukman announced in October 1986 that "We intend to keep our tax regime and laws affecting the oil industry under constant review," and promised further "sweeteners" to encourage joint venture partners to invest in oil exploration.[14] In 1987 the NNPC offered to pay for all exploratory drilling, the most risk-laden oil industry expense.

Under pressure of debt and political insecurity, Nigeria's rulers are anxious to make almost any deal that will cut their losses as a class. An overall process of re-colonization is underway.

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11. **Platt's Oilgram News**, Vol. 64, No. 34, February 19, 1986, p. 3.

12. **Platt's Oilgram News**, Vol. 64, No. 62, April 1, 1986, p. 3. The World Bank's policy guidelines for Nigerian energy are detailed in the official study, **The Nigerian energy sector: issues and options**, IBRD, Washington D.C., 1984.

13. **Platt's Oilgram News**, Vol. 64, No. 181, September 18, 1986, p. 1.

14. **Platt's Oilgram News**, Vol. 64, No. 208, October 27, 1986, p. 1.

Nigerian oil workers

For the purposes of this discussion, oil workers include all employees of oil and oil service companies, regardless of rank. Changes within the workforce affect all echelons, and particular initiatives usually involve both white and blue collar oil workers. Reference to management, administration or technocrats in the oil industry denotes those personnel in the highest state and private corporation positions of responsibility.

Oil workers are the most powerful and best-paid of Nigeria's international corporate employees. They also constitute an elite within the public sector with respect to salaries. Prior to the 1983-1986 retrenchment drive, some 30,000 oil workers were distributed as follows: approximately 10,000 in the state sector, another 10,000 in private oil multinationals and the remaining 10,000 in local and foreign service firms which do contract work for the oil industry.[15] As of 1987 over half this last category has been retrenched. Job loss has been heavy in the private oil companies and less so within the public sector's NNPC.

Government oil workers have protected jobs and benefits more effectively than their private sector counterparts. This reflects the state's greater vulnerability to industrial action. Employees in the state-owned Nigerian National Petroleum Corporation have leverage based on inside information and could engage in exposés if provoked. They also know how dependent the state is on their work for revenues. Finally, a tradition of job security in the public service provides state employees with more protection than is available to workers in oil multinationals and service contracting firms. With the financial crisis of the state, wages due to school teachers, civil servants and even soldiers and professors are late or unpaid. In contrast, state-employed oil workers have continued to receive their pay packets.

In oil, the senior and junior staff status division is formalized in two employee organizations: PENGASSAN (Petroleum and Natural Gas Senior Staff Association of Nigeria) for senior and NUPENG (National Union of Petroleum and Natural Gas Workers) for junior staff. These unions were created in 1977-1978. Historically oil workers in Nigeria have been divided along four main lines: ethnicity, job rank, whether employment is in private or public corporations, and whether jobs are permanent or temporary. The oil price crash and recession have exacerbated some differences, reduced others and fostered new patterns of solidarity.

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15. For more detail on the oil proletariat see Terisa Turner, "Petroleum, recession and the internationalization of class struggle in Nigeria," **Labour, Capital and Society**, Vol. 18, No. 1, April 1985, pp.6-42.

The following discussion considers seven ways in which the crisis has had an impact within the oil sector, broadly construed to include both oil workers and peasants in the producing zones. Among these effects are the weakening of unions, a rise in self-organized activity by workers, a tendency toward multi-class unity, peasant mobilization, heightened ethnic tensions, the appearance of alliances and splits within the ranks, and the emergence of a radical core of petroleum workers concerned with taking responsibility for the well-being of the industry.

Unions under attack: Unions have been weakened through loss of members and dues, by their inability to withstand government-decreed takebacks and by military and police repression.

The leadership of the Nigerian Labour Congress (NLC) has acquiesced to successive cutbacks and massive retrenchment under pressure from the Buhari and Babangida military regimes. More than one million members, or about one quarter of the waged work force, were made redundant between 1982 and 1987.[16] This led to lack of funds and in April 1987 the NLC reorganized, reducing constituent unions from 42 to some 20.[17] The NLC claims an overall membership of three million of which only 300,000 are in the private sector, the rest being government employees.

In 1987 the NLC was unable to stop the government from eliminating the minimum wage ($32 a month) in firms employing fewer than 500 workers. Eighty per cent of Nigerian companies fall into that category. The National Minimum Wage Amendment Order 1986 allows employers to set their wages "according to their ability to pay."[18]

In 1986 unionists were arrested and offices sacked by soldiers and police. These methods were used to prevent demonstrations and strikes in protest against the 1986 student massacre by the paramilitary "Kill and Go" squad in Zaria's Ahmadu Bello University. Repressive oil and labor legislation ban industrial action in this strategic sector. Decrees which rule out union initiatives drive a wedge between workers and their representatives. When collective

16. The federal office of statistics estimates those out of work at three million, an unemployment rate of 10% in the urban areas and 4% in the rural areas, based on an estimate of Nigeria's working population at about 37 million.

17. **Africa Economic Digest**, Vol. 8, No. 13, 3 April 1987, p.10.

18. *Ibid.*

bargaining and withdrawal of labor are hamstrung, union officials lose effectiveness.

Self-organized action in oil: In concert with the attack on the unions, sabotage and stealing of oil company property has increased.[19] This activity includes destruction, theft and opposition to management impropriety. A 1983 survey of oil service company managers found most complained of destruction and wastage of company property leading to the loss of thousands of dollars. One service company in Warri imported a machine estimated by a union official to cost N1.8 million ($2.75 million) which would have rendered many service men, welders, supervisors and fitters jobless. Within a week workers practically dismantled the machine. They stole parts and dumped them into the sea. The remains of the technology lie idle in the firm's equipment lot.[20]

Oil companies and service firms include in their standard work contracts provision for instant dismissal of temporary and junior staff for a range of actions which could be instances of covert resistance: "theft, fraud, sleeping on duty, possessing, using or being under the influence of intoxicants or narcotics, and malicious damage of company property."[21] Oil workers refer to sabotage on oil rigs and theft of company materials from rigs as "ways of getting part of the big profit made by the ogas [big men] every day." According to a senior fitter:[22]

> We know that to management such acts are heartless and costly. But that is exactly the point we wish to make. We do not destroy company goods on a daily basis, but as the situation dictates. We don't enjoy these acts of destruction either. Our union leaders will never support these actions since they like to pursue laid down procedures for settling industrial disputes. But no matter what people say or think, our acts of sabotage have always drawn the immediate attention of management.

Oil workers are also more inclined, with the crisis, to expose impropriety on the part of their seniors, whether Nigerians or expatriates. A roughneck with Shell publicized his Dutch supervisor's practice of stealing materials allocated to drilling projects. An operator in the Escravos terminal wrote an analysis of the physical and financial processes for exporting oil to prove that theft occurs not in the terminals but via paperwork in senior administrative offices in NNPC's Lagos headquarters.[23]

19. Interview with Mobil Oil Company official, New York, November 1986.

20. Julius O. Ihonvbere, *op. cit.*

21. Standard NUPENG Collective Agreement, 1983.

22. Interview with worker in a major oil service company, Warri, December 1983, conducted and translated from pidgin into standard English by Julius O. Ihonvbere, *op. cit.*

23. M.O. Oshare, "Exporting Nigerian crude oil," mimeo, 1984, Energy and Social Development Research Group, University of Port Harcourt, and "The Nigerian oil industry," mimeo, 1986, Faculty of Social Sciences, Jos University, Jos, Nigeria.

Class unity: A tendency toward unity among elements of the popular classes[24] has been reinforced by the crisis. The recession has hit every group in the society. The complex social structure of Nigeria is in flux. Most individuals have multiple class identifications because they are in transition from being, for instance, peasants or petty bourgeoisie to being workers or urban craftspeople. Each has family and friends in other classes. The hardship has strained extended family ties but it has also brought kin together in a multiclass solidarity. This new unity is posed against the rich and powerful. Those who "ate" the oil money are increasingly identified as the source of the country's devastation.

Oil workers, peasants and fishing people in oil producing areas have mobilized together against the state and major oil companies, most frequently demanding compensation for pollution and land use. On March 29th and 30th, 1986 some 400 Bonny Island residents including oil workers, shut down Africa's largest oil export terminal, claiming that the operator, Shell, had disrupted their lives and contributed nothing. Some 100 women sat on the Shell helipad to prevent any helicopter from landing at the tank farm base. Their placards read "Shell's 28 years in Finima is a curse to us," "Our means of livelihood has been destroyed by Shell," and "No light, no water for us after 28 years of Shell."[25] Further north in Imo State, villagers protested the police murder of an oil worker by demonstrating in front of the military governor's office. In April 1986 the villagers of Egbema in Imo State, numbering more than 5,000, held hostage for two days over 40 staff of Shell at the British company's office premises. The occupation protested 'the company's neglect of the community since it came there 28 years ago."[26]

Peasant mobilization: Nigerians living near production or exploration sites consider themselves entitled to employment by the companies. They engage in covert forms of class struggle such as sabotage, theft, road blockage and harassment of company activities if a specified number of jobs are not awarded. Such incidents appear to have increased since 1984 with the economic downturn. While the government has decreed that pipeline sabotage is punishable by death, explosions, puncturing and pipe theft persist. The difference now is that peasants refuse to report oil gushes or leaks to avoid the police practice of arresting on suspicion of sabotage any bearer of such news. A crucial development is the return to their villages of thousands of unemployed graduates capable of organizing peasants against the oil companies.

Ethnic tensions: The oil bust has eroded some ethnic solidarity forged on the work site during the boom years when there was plenty of work and resources to go around. Today cutbacks in exploration and workover programs mean that locals seeking work succeed less and evince more hostility toward outsiders who do have the jobs. At the senior levels, each retrenchment and promotion is scrutinized from the tribal perspective. For instance, in late 1984 one ethnic sub-group among Gulf Oil of Nigeria's senior staff in Bendel State issued an angry pamphlet accusing the U.S. multinational of elevating members of another ethnic group. It claimed that the promotions were unwarranted and part of a conspiracy to block nationalist Nigerians from running the industry. A Gulf manager from the American south asserted that the disgruntled oil workers were "Communist-inspired" as he exhibited the pamphlet during a dart tournament in an oil contractor's guest house in Port Harcourt's elite Transamadi residential sector.

Division and alliance: The bust saw two contradictory trends: more unity between radical senior staff and junior echelons on the one hand, and greater antagonism between the corrupt management and insecure junior staff on the other. There is a split among senior oil staff. On the one hand there are those who are compromised and unsure of a local base. On the other hand there are those who reject an alliance with expatriates. The first group depends on foreign expertise, initiative, direction, and frequently collaboration for improper enrichment. These Nigerian supervisors condone white expatriates' racism toward rig workers and in turn are called "white slaves," "traitors," "black sheep", and "servants" by junior staff.[27]

The second group is more closely aligned with junior staff and the intelligentsia. Members of this nationalist group may have taken time off to study, usually in a Nigerian university. They may have forged critical ties with radical analysts, both national and foreign. Efforts to apply theory to the resolution of the oil industry's crisis are evident in education sessions organized in various milieaux including the senior oil staff association, PENGASSAN.

24. Popular classes "refer to Nigeria's rural and urban majority who are drawn from the peasantry, unskilled and semiskilled wage earners and the independent producers of the urban informal sector." Rural peasant producers and urban wage earners are in different social classes, but their common relationship to capital and the state is one of exclusion. Michael Watts and Paul Lubeck, "The popular classes and the oil boom: a political economy of rural and urban poverty," in I. William Zartman, editor, **The Political Economy of Nigeria,** New York: Praeger, 1983, p. 112.

25. **The Vanguard,** (Lagos), April 4, 1986, p. 1. Among the specific grievances were that "all bush roads linking the terminal with the village have been sealed up by the company thus locking Bonny Island residents in and out; and that villagers passing through the terminal roads are often subjected to rigorous interrogation and search by Shell's security agents."

26. **Nigerian Tide,** April 18, 1986.

27. Julius O. Ihonvbere, *op. cit.*

The state has deliberately fostered division within the junior oil workers' ranks. It has secured court decisions rejecting union leadership backed by the majority of oil workers. So far this decade the junior staff union, NUPENG, has had its best lawyers, leaders and vast sums of money tied up in court battles over legitimacy of office holders. Rulings by the civilian regime of President Shagari and its military successors have prevented a radical unionist, J. E. Dubre, from holding the most powerful oil-related office. This move stopped him from standing for president of the Nigerian Labour Congress. The timing was critical for the military junta and for international oil: a radical at the helm of some 15,000 oil workers and the nationwide labor congress would have heightened the possibilities for social transformation.

In March 1984, outside the Nigerian Labour Congress convention in Enugu, angry oil workers decried the court ban against their chosen leader and asserted that they could shut down the country completely in two or three days, if sufficiently provoked.[28] This demonstration underlined oil workers' consciousness of their potential national power. With the support of truck drivers, especially those delivering oil products, Nigeria's oil workers claim they can "hold the country to ransom." Many oil workers believe that their power blocks the state from acting on the 1975 Petroleum Production and Distribution [Anti-Sabotage] Decree No. 35 which empowers the military to execute, without civil court recourse, anyone preventing the procurement or distribution of petroleum. One tanker truck driver observed that "...the day they shoot one of us to death will be the last day they will produce petroleum in Nigeria. We shall all go on strike and seek alternative jobs. The government knows this, that is why the law has not been enforced."[29]

In December 1984 when the majority of NUPENG members agreed that the government would prevail in banning J. E. Dubre as their president, they elected a popular successor, S.A. Dada. The state again challenged this choice, finally ruling on April 17, 1986 in favor of an unpopular, minority faction figure. A month later, on May 19th, the majority went on strike to force the government to recognize their leaders, who were arrested as the action halted all road movement of petroleum products in Nigeria. Labor minister Koshoni threatened to invoke the Anti-Sabotage Decree No. 35. A spokesperson for those arrested told the press that "the strike would have been easy to break if it were the leaders, not the workers, who called it."[30] On day four of the oil

28. Interviews and personal observation, Enugu, March 1984.

29. Tank truck driver at the NNPC Oil Depot, Ore, Ondo State, interviewed by Julius O. Ihonvbere, July 1983 and quoted in "Class struggles in the oil industry: the 'renter' state and labor control in Nigeria," mimeo, October 1985, University of Port Harcourt Energy and Social Development Research Group.

30. **The Guardian** (Lagos), May 22, 1986.

petrol shortages were acute. The country was at that point, on May 23, 1986, thrown into further chaos by a massacre perpetrated by riot police of some 25 students at Zaria's Ahmado Bello University campus. The Nigerian Labour Congress called a nation-wide demonstration. All union members were to march to government offices in their state capitals. However, a massive arrest and detention of union leaders prevented the action.[31] University lecturers issued a statement attributing the government's subervision charges against unionists to effort to impose the IMF program.[32] Strikers were repressed but oil workers in NUPENG apparently sustained their right to democratic choice of their own leadership.

With the oil bust, division among oil workers at the lower echelons has been reduced. The state tactic of rendering impotent the union organization has been recognized for what it is and rejected. While workers at an official union level have been putting their organization in order, coordinated actions on the job have blocked some retrenchment, take-backs and indignities at the hands of expatriates.

Nigerian oil workers have improved the terms of severance by occupying production facilities. For instance, in March 1984 more than 100 offshore rig workers under contract to a U.S. oil major seized control of the drilling platform. They refused to allow oil company or police helicopters to land on the vessel. Government patrol boats were repulsed. Sophisticated sea-to-shore communications and logistics were put into effect by the striking oil workers. For a few days, the technology of the Warri industry base was under workers' control. Contrary to procedure and in panic, U.S. oil management bypassed NNPC and went directly to soldiers in power, demanding military action. The three-day occupation was resolved by agreement to redeploy or compensate most workers rendered idle by the rig's shutdown.[32] A similar rig take-over was mounted earlier offshore of Cross Rivers State. Expatriate supervisors were taken hostage on the rig and negotiations for improved pay and conditions ended with success for the workers.[33]

Junior staff unity, and partial unity between radical senior staff and the lower ranks has not effectively embraced contract workers. Most are not unionized and thousands have lost their jobs. They have been easily manipulated by management in the contracting and service firms to the oil industry. In 1983-1984 the oil producers trade group within the Nigerian Chambers of Commerce and Industry established a unified policy on retrenchment, and applied it to oil service contracting firms. Individual workers were

31. In the face of government threats to reduce the demonstrations to a bloodbath, the Nigerian Labour Congress president Alhaji Ciroma issued a statement asking workers to congregate at their union halls instead of marching to government quarters. The statement of June 2nd, 1986 said that "brutality and incarceration of the working class movement is a pre-condition for an IMF extended facility club membership." **Business Concord**, June 6, 1986.

32. **Concord**, June 11, 1986.

33. Interviews with Halliburton contractors on the offshore rig, February - June 1984, Port Harcourt.

were offered a cash inducement to resign. Those not accepting were threatened with job loss without compensation. Workers, for example, in the U.S. oil exploration service giant, Halliburton, succumbed to this divisive tactic. Efforts were made by senior staff to forge a united front, but the Halliburton retrenchment exercise pruned the workforce by half with ease in 1984-1985.[34]

Workers' control?

The first indication that Nigeria's oil workers were organizing independently to exert some control over the industry emerged in April 1984. The context was established by post-coup investigations into theft of oil and funds during the previous civilian government under Shagari. Oil workers, encouraged by promises of a clean slate from the military's new oil minister Tam David-West, released a manifesto to the press. It announced the formation of an "oil workers' vigilante intelligence network" which would monitor the industry from inside and act as the "Public Eye". The vigilantes said they had created a "Petroleum Intelligence Agency" and offered to report directly to the new military head of state, Mohamadu Buhari.

Not surprisingly, Buhari did not take up the oil workers' offer. Under a previous military government (Obasanjo's rule from 1976 to 1979) Buhari was oil minister and secured special exemption from testifying before the 1979 Irikife Tribunal investigating the diversion of some $3.4 billion from NNPC accounts.

The government's response to oil workers' vigilance included Decrees 4 and 20 (1984) which outlawed any statements found to embarrass any official of state and made a vast range of offences punishable by firing squad. Nevertheless, the self-organized network of petroleum technicians and laborers grew more sophisticated. Stories were leaked to the press about shipments of oil to South Africa, about pollution of peasants' land, and about diversion of construction materials from work sites into private hands. In March 1984, NNPC staff, identifying themselves as "Members of the Public Eye," prepared a secret memo entitled "Fraud unchecked in NNPC," which documented kickbacks and the self-award of contracts.[35] In February 1986, the oil union PENGASSAN called for an inquiry into allegations of fraud, mismanagement and "apparent shady deals" in the purchase of the tanker M. T. Tuma, by NNPC.[36]

34. Interviews with Halliburton employees, Port Harcourt and Lagos, 1984.

35. **Times International,** (Lagos) April 28, 1986, p. 9.

36. **Platt's Oilgram News,** Vol. 64, No. 39, February 26, 1986, p. 1.

Arsonists burned the state oil corporation's accounts department in April 1986. The underground network issued a statement denouncing the incident which was particularly disturbing "because the fire started from the corporation's accounts department after two firms had disagreed over its accounts."[37] Fraud cover-up was assumed to be the arson motive and the National Union of Petroleum and Natural Gas Workers (NUPENG) called for a probe.

Nigerian Labour Congress Organising Secretary, Comrade Morgan Anigbo, blamed "the system itself [and] the people in the corridors of power for subjecting workers of the country to deprivations and humiliations." He attributed the arson "to Nigeria's capitalist system: It is a way of covering up fraud and other corrupt acts." Anigbo advised the setting up of "vigilants" groups to monitor activities of those at the helm of affairs of our public institutions."[38]

As the oil multinationals sought advantages from the weakened state, opposition from oil workers focused on preventing government give-aways. In response to the companies' demand for longer leases, oil workers urged they be shortened from the present 20 to five years. An association of Nigerian oil technicians insisted that the companies should explore within five years and turn non-producing territory over to other explorationists to accelerate Nigeria's exploration program and build reserves.[39]

A faction of oil workers within the Nigerian National Petroleum Corporation resisted the World Bank demand that private foreign companies be partners with NNPC in the Warri-Lagos pipeline. In March 1986 they asserted that this give-away was not worth the $200 million World Bank loan and disputed the Bank's claim that foreign ownership was "necessary to build a measure of technical know-how and security into the project."[40]

Nationalist and radical oil workers have been most effective in challenging the comprador state policy of over-production and under-pricing, contrary to OPEC agreements. They insist that "it is uneconomical and meaningless to maintain a high production level at low prices."[41] More than in the past, in the 1986-1987 period Nigeria appears to have conformed to OPEC guidelines for reducing exports and firming prices.

37. **Times International,** *op. cit.*, p. 8.

38. *Ibid.*, p. 14.

39. **Platt's Oilgram News,** Vol. 65, No. 42, March 3, 1987, p. 3.

40. **Platt's Oilgram News,** Vol. 64, No. 62, April 1, 1986, p. 3.

41. **Platt's Oilgram News,** Vol. 64, No. 41, February 28, 1986, p. 2.

The future

Oil workers are involved in monitoring industry activities. They have surfaced publicly on a number of occasions since 1984 with findings about the oil majors and their local allies acting contrary to the national interest. The stance of the Nigerian Labour Congress and of the oil workers' "Public Eye" network suggest first, that an organized form of response to mismanagement and theft by public officials is emerging and second, that the concept of workers' control is taking root.

How is workers' control related to vigilance? Workers who deliberately make it their business to discover fraud are bent on unraveling the links between their immediate jobs and the work process in general. Oil workers are gradually assuming more responsibility for the wellbeing of the industry. The process involves self-education especially about the links between one process and another, and between national oil activities and markets abroad. It involves internationalism.

Understanding this totality is an essential basis for conceiving of and establishing workers' control. It is not a sufficient basis since specialized knowledge can be used to secure senior positions from whence to engage in the same fraudulent behavior. This can be prevented only through democratizing and socializing the work process. A tendency toward greater democracy exists in the emerging networks of "Public Eyes." A key question then is the extent to which the networks expand this commitment both at work and in the community.

There is embryonic evidence of the emergence of workers' control in the Nigerian oil industry. Today control is very much in the hands of international oil corporations. The bourgeois factions in charge of the state along with the junta are subordinate allies of foreign capital. How might control in oil be shifted? Speculation about the path to workers' control may be guided by experience elsewhere. This spans the spectrum from co-option to transformation. Will Nigeria follow the example of Norway and other Scandinavian countries and install workers-management codetermination? Alternatively, will technocrats become more prominent in the state and ally with nationalist oil workers to guide the industry, as happened in Algeria in the 1960s and 1970s? Or will Nigeria follow the Iranian example with oil workers expelling foreigners, removing state capitalist managers and exercising control through democratic workers' committees? This most revolutionary initiative was short-lived in Iran: state authority under guise of war overpowered the new social forms which have emerged from the oilfields. However, the Nigerian trajectory suggests that similar popular committees, the "Public Eyes" will bid to control the oil industry. When and how no one can say. But as in Iran such oil worker control is likely to strike as part of a fundamental national mobilization. In the midst of social revolt Nigerian oil workers may well seize power and use it transform this pivotal industry.

Towards Authentic Economic Nationalism In Nigeria

Chibuzo N. Nwoke

One important problem of Third World development is the lack of intellectual articulation of anti-imperialist ideology and strategies. This flaw in strategic planning is unfortunate because of the fact that in the international power relations between the Third and advanced worlds the latter has perfected and systematized the strategies with which it dominates and underdevelops the former. One outstanding example of an anti-imperialist strategy that lacks intellectual articulation is economic nationalism.[1] The non-articulation of the concept of Third World economic nationalism must be a reason for its general failure as an anti-imperialist strategy in contemporary international relations. This paper seeks to advance that articulation.

I suggest that in order to be successful as a strategy, Third World economic nationalism must first be clearly articulated as a concept. Policy makers, having hopefully internalized such a conceptualization, must then demonstrate a "mentality of economic nationalism", meaning that their decisions would begin to be guided by the internalized tenets of economic nationalism, however conceptualized. From the standpoint of the Third World, this scenario is important in strategic thinking because the concept of economic nationalism arises, as will be shown in this paper, directly from the realities of the dominance-dependency relations in the contemporary capitalist world economy, which is responsible for the Third World's structural underdevelopment and external dependency.

The objective of this paper is to underline the disparity between the concept and practice of economic nationalism by putting it in a clearer perspective in the context of Nigeria's political economy. The thesis is that economic nationalism has failed because it has not been articulated and internalized by the ruling class as an important ideological concept and it has not been applied systematically as a strategy against imperialist relations that underdevelop the country.

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1. Norman Girvan's work is probably the only exception to this observation. But his treatment was not primarily aimed at conceptualizing the idea of economic nationalism, and it was limited to the oil sector. See Norman Girvan, "Economic Nationalism," in Raymond Vernon, ed., **The Oil Crisis**(New York: Norton Co. Inc., 1976) pp. 140-158, and his "Economic Nationalists v. Multinational Corporations: Revolutionary or Evolutionary Change," in Carl Widstrand, ed., **Multinational Firms in Africa** (New York: Africana Publishing Co., 1975), pp. 26-56.

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This is not to say that Nigeria's development planners have been unaware of the concept of economic motivation. On the contrary, the pursuit of self-reliance, which has been evident in Nigeria's development plans since independence in 1960, is an indication of this consciousness.[2] The problem is rather that effective measures have not been taken and proper institutions have not been established for systematically realizing the professed national goal of self-reliance; and the concept has not been articulated as a deliberate process or strategy for ending dependence, promoting autonomous development, and uplifting the living conditions of the majority of Nigerians who are marginalized.

The next section of this paper briefly puts the practice of economic nationalism in historical perspective. I then attempt an operational definition of the concept of economic nationalism, followed by a section that presents the development of underdevelopment as background to Third World economic nationalism. Another section describes the nature of the Nigerian state, in order to discuss the limited impact of economic nationalism in the country. In the conclusion, I suggest a number of policy instruments relevant to the call for authentic economic nationalism.

Economic Nationalism in Historical Perspective[3]

The idea of economic nationalism relates to a frame of mind that endorses a set of national policies aimed at regulating the economic relations between a country and the rest of the world. Throughout history, "sovereign-constituted" governments (whatever their form of organization, their underlying philosophy, their political aims, and the size of the territory and population over which they exercise control) have wanted to regulate international trade and finance relations. A persisting objective of policies of economic nationalism has been the attainment and maintenance of economic sovereignty.

The defense of the practice of economic nationalism is as ancient as political theory. Aristotle for example, was said to have regarded self-reliance as a basic prerequisite of the ideal nation state.[4] "Mercantilism", evolving in 16th to 18th century Europe produced for the first time what could be described as doctrines of economic nationalism, embodied in official government

2. See Federal Government of Nigeria, **First, Second, Third and Fourth National Development Plans** (1960, 1970, 1975, 1980). Lagos.

3. This section does not pretend to provide a comprehensive or detailed history of economic nationalism (which would be a useful task). On the contrary, as the title suggests, the section is simply a sketch that aims at putting the idea of economic nationalism in historical perspective. As will be seen from subsequent footnotes, it draws heavily on the work of M.A. Heilperin.

4. See M.A. Heilperin; **Studies in Economic Nationalism** (Geneva: Librairie E. Droz, 1962), p. 46.

pronouncements explaining and justifying state action to regulate, control and restrict various elements of international economic relations.[5]

The Industrial Revolution espoused free trade and economic internationalism, heralded in 1776 by Adam Smith's **Wealth of Nations**, but a new form of economic nationalism, "liberal protectionism", soon began to grow. Alexander Hamilton laid its intellectual and practical foundations in his **Report on the Subject of Manufactures**, published in 1791, which was the most important early reaction against Adam Smith's free trade doctrines.[6] Hamilton advocated the adoption of government measures for the encouragement of domestic industries, much like the protection of "infant industries" argument advanced by today's Third World countries.

The infant industries argument was further developed and given its most perfect formulation by the German economist Friedrich List, whose major work, **The National System of Political Economy**, appeared in 1840.[7] Unlike Hamilton, List was interested in outlets for surplus population and emphasized the need for colonies. For List, economic nationalism, far from being a mere adjunct of political nationalism, appeared as a policy that welcomed even war as a means of attaining strategic economic ends.

Despite the growth of protectionism, World War I, which took place in a fairly well-integrated world capitalist economy of free trade, disrupted international economic relations and revived economic nationalism, although the exchange controls and import restrictions it spawned soon disappeared. But economic nationalism, at least as a consciousness, remained strong both in the old established countries and in those that either regained their independence or were newly formed at the Paris Peace Conference of 1919. The "new" countries were largely inspired by the "infant industries" argument, and the older ones by the protection of vested interests.[8] After World War II, the most extreme forms of economic nationalism were limited to the Soviet bloc, but many other countries continued to practice strict trade and payment controls.[9]

Contemporary economic nationalism, though not dead elsewhere, is most commonly associated with the Third World. In the colonial era these countries were assigned their role in the emerging international order: that of providing cheap raw materials for the factories of the industrializing countries and cheap food for their factory workers.

5. *Ibid*, p. 55.

6. *Ibid*.

7. *Ibid*, pp. 58 - 60.

8. *Ibid*, p. 62.

9. *Ibid*, p. 64.

In effect, following World War II, an international order marked by profound and growing inequalities was firmly established in the non-Communist world. At one end of the system were the centers of advanced industrial capitalism (U.S., Western European countries and Japan), characterized by sustained economic growth and technological progress, almost full employment, structurally transformed and flexible economic systems, and a considerable amount of international economic, financial and military power. At the other were found the Third World countries, the periphery of the international capitalist economy, characterized by underdeveloped and dependent economic systems and by a low standard of living for the overwhelming majority of their people. By this time the development-underdevelopment dichotomy of the world economic system had been firmly established and most of the periphery had completed its adaptation to the needs of the industrialized countries.

It is hardly surprising that the development of such a system has been fraught with tensions and conflict. Until World War II, relations between colonized and colonizer were marked by wars and other forms of aggression. In the post-war period, while it seemed that a relative stability had been achieved, this apparent stability (sometimes called the Pax Americana) only served to conceal certain fundamental and unresolved conflicts in the twentieth century (just as the Pax Britannica had in the nineteenth).[10]

According to Girvan, the OPEC offensive of 1970-73, which was long in the making, represented the vanguard of the new wave of Third World economic nationalism. In other words, the roots of the OPEC offensive lay not in the formation of the organization in 1960 nor even in the Arab Petroleum Congress or in the oil policy discussions within the Arab League in the late 1940s, but ultimately in a growing need to respond directly to the structure of unequal power relations that existed, and continue to exist, in the contemporary world capitalist system.[11] The OPEC offensive was only the most visible strategy and dramatic symbolism of an evolving and larger Third World economic nationalism against Western imperialism in contemporary international relations. It is therefore quite surprising that development planners and economic strategists in the Third World have not paid adequate attention to the important concept of economic nationalism.

What is Economic Nationalism?

The concept of economic nationalism is important in both political science

10. See Girvan, "Economic Nationalism," *op. cit.* p. 148.

11. *Ibid*, p. 145.

and economics. To the political scientist, it represents an integrative ideological force which facilitates the establishment of a viable and cohesive nation-state. To the economist, it is a driving force which compels nations to accelerate economic development through nationalist regulation of the nation's economic relations with the rest of the world.[12]

Briefly defined, nationalism is the doctrine that places the nation at the top of the scale of political values, above the possible rival values of the individual, ethnic and other internal groups, regional units, and the international community.[13] In other words, a nationalist ruling class will be more likely to practice policies of economic nationalism than a liberal ruling class of an individualistic, regionalistic or internationalistic state.

With respect to contemporary underdeveloped countries, nationalism is, according to Harry G. Johnson, "the motivation for their formation, the key to their policies, and also an objective of their development, in the sense that the cultivation of feelings of nationalism, i.e., of attachment to the nation, is essential to the formative processes, and a means for the integration of the nation and the differentiation of it from other nations." And, he continues, "from a psychological point of view, nationalism is concerned with establishing the self-respect of members of the nation in comparison with members of other nations, and with creating a distinctive national identity. . . Nationalism involves hostility toward other nations and a tendency to adopt a double standard of morality with respect to them."[14]

This double standard of morality colors every aspect of the attitudes of nations in contemporary international relations. In a world divided into sovereign states engaged in international relations, all policies are first and foremost national. Even policies resulting from an international agreement are essentially national policies. What can be called "international policy" is at best a set of coordinated national policies, the aims and means of which are combined into an allegedly harmonious whole. We can then describe this composite of individual national policies as "internationalism". The difference between internationalism and nationalism thus lies in the fact that the latter, not the former, would subordinate the state of international relations to the realization of purely national goals.[15] In other words, while all policies are

12. See Harry G. Johnson, "A Theoretical Model of Economic Nationalism in New and Developing States," in H.G. Johnson, ed., **Economic Nationalism in Old and New States**, (Chicago: The University of Chicago Press, 1967), p. 1.

13. Heilperin, *op. cit.*, p. 18.

14. Harry G. Johnson, "The Ideology of Economic Policy in New States," in H.G. Johnson, ed., *op. cit.*, p. 126.

15. Heilperin, *op. cit.*, p. 23.

national, they can either be guided by a nationalist concept of national interest or by an internationally inspired concept like "interdependence" or "cooperation". In its international economic relations, a government may adopt policies of autarky, insulation, or protectionism on the one hand, or policies of international cooperation and of free trade on the other. The former would be an expression of economic nationalism — not the latter.[16]

Economic nationalism entails a body of economic policies aimed at the loosening of the organic links between economic processes taking place within the boundaries of a country and those taking place beyond those boundaries.[17] This definition includes the idea of a nation insulating itself from the rest of the world, seeking more autonomy in its economic life than is available in a global system of "economic internationalism". The pursuit of economic nationalism has thus been equated with the pursuit of self-reliance. One scholar has provided a useful general definition of the term:

> ". . .a strategy of national self-reliance can be defined as 1) a deliberate policy of selective disengagement from international transactions (trade, aid, investment, technology, information, and manpower exchanges), replaced by reliance on internal capabilities; 2) a conscious restructuring of basic economic and political relationships, values, and institutions: (a) internationally, between the country pursuing self-reliance and the other countries in the international system and (b) domestically, with the country pursuing self-reliance; and 3) reassociation, or partial reestablishment of previous economic and political international transactions with industrial countries on a [more equal] basis."[18]

While self-reliance, in the fullest meaning of the term, is a largely unattainable goal, this spirit of nationalism rationalizes its pursuit as the basic prerequisite for an ideal nation-state, i.e., one that is authentically sovereign.

For the Third World countries, economic nationalism is fundamental to the understanding of, and struggle against, the brutal impact of colonialism and imperialism in their economic life. Third World economic nationalism is both an ideology (or state of political feeling) and an economic program. Economic nationalism therefore involves a preference for a number of economic measures designed to attain national economic sovereignty or self-reliance. Such measures would include:

1. Attaching high value to having property owned and economic functions performed by nationals, e.g., the idea of indigenization policies in Nigeria.

16. *Ibid*, p. 24.

17. *Ibid*, p. 27.

18. See Thomas J. Biersteker, "Self-Reliance in Theory and in Practice in Tanzanian Trade Relations," **International Organization**, Vol. 34, No. 2, Spring 1980, p. 236. For a recent study that analyses self-reliance in Nigeria as an illusion, see Olatunde Ojo, "Self-Reliance as a Development Strategy" in Claude Ake, ed., **Political Economy of Nigeria** (London: Longman Group Ltd., 1985) Ch. 8.

2. Creating strategic facilities that the nation lacks and which are considered important to the national economy, e.g., the idea behind the iron and steel and petrochemical projects in Nigeria.
3. Taking over, through confiscation or nationalization, existing strategic facilities that are not controlled by the nation, e.g., the idea behind the nationalization of the oil sector in Nigeria and in the Third World at large.
4. Promoting the domestic production of all essential commodities, which is the commendable idea behind the unsuccessful "import substitution industrialization" strategy in most Third World countries today.
5. Limiting the nation's consumption to those goods that are the fruits of its own soil and labor, e.g., the message behind the on-going radio slogans in Nigeria about boycotting "oyibo" food and other foreign goods.
6. Strongly opposing the investment of many types of foreign capital, and the employment of foreign scientific, technological and managerial personnel, an opposition which is still mostly at the level of rhetoric in most Third World countries today.
7. Securing a favorable balance of payments in a nation's international economic relations, still a largely elusive measure for most Third World countries.
8. Expanding transactions and cooperative efforts with other underdeveloped countries, e.g., the idea behind membership in organizations like the Organization of Petroleum Exporting Countries (OPEC), Economic Community of West African States (ECOWAS), and, very recently, African Petroleum Producers Association (APPA).

Two main reasons have informed the search for self-reliance through economic nationalism. One is the desire to plan the nation's economic life as independently as possible of the conditions of the world economy in order to achieve a virile and better-balanced national economy. The second is the desire to be independent of sources of supply outside the nation's control, in order not to be vulnerable in war and to be able to negotiate with strength in peacetime.

Economic nationalism is a response to certain situations in the world economy likely to be threatening to national self-sufficiency, however defined. For the Third World, the situation arises from the peripheral role assigned it in the world capitalist division of labor, a role which accounts for the Third World's relative underdevelopment vis-a-vis the advanced center countries. Underdevelopment is the overriding problem for the Third World in the global capitalist economy, for it threatens the total well-being of its people. It is the product of Western colonialism and is sustained through neo-colonialism, the last stage of imperialism. From the standpoint of the Third World, the primary strategy of economic nationalism should be "constructive anti-imperialism", by actions espoused, not just in words. Constructive anti-imperialism would involve three fundamental steps in nationalist strategic thinking:

a) Inculcating the ideology of anti-imperialism in national political culture;
b) Understanding the various subtle and not-so-subtle mechanisms adopted by imperialism to maintain underdevelopment; and then
c) Systematically tackling these mechanisms precisely at the points of greatest effectiveness.

Against that background, one can then identify a number of plausible indicators of authentic anti-imperialism in a given country and proceed scientifically to analyze economic nationalism in terms of such measures. I will later define and employ a number of such indicators to analyze the limited impact of economic nationalism in Nigeria.

The Development of Underdevelopment: Background to Economic Nationalism

The new wave of economic nationalism in Third World countries was provoked by the historical process which led to their underdevelopment. It would be useful at this point to put this crucial phenomenon in proper perspective.[19]

The industrialization, first of Britain and then of other advanced countries of Wetern Europe and North America in the nineteenth century, would not have been possible without the creation of a world division of labor which turned other areas of the world into sources of primary products and markets for the advanced countries' surplus of manufactured goods. Marx had something to say about this tendency toward colonization in the development of capitalism. Referring to the aftermath of the industrial revolution, he had observed that as soon as the general conditions requisite for production by the modern industrial system have been established, this mode of production acquires "a capacity for sudden extension by leaps and bounds that finds no hindrance except in the supply of raw materials".[20] Hence, according to him:

> By ruining handcraft production in other countries, machinery forcibly converts them into fields for the supply of its raw materials. In this way, East India was compelled to produce cotton, wool, hemp, jute, and indigo

19. The objective here is not provide an in-depth analysis of the historical process of underdevelopment in Nigeria. There is a rich literature on the subject. See for example, Bade Onimode, **Imperialism and Underdevelopment in Nigeria: The Dialectics of Mass Poverty** (London: Zed Press, 1982); Okwudiba Nnoli, ed. **Path to Nigerian Development** (Dakar: Codesria, 1981); Gavin Williams, Ed., **Nigeria: Economy and Society** (London: Rex Collings Ltd., 1976). Also, see Walter Rodney, **How Europe Underdeveloped Africa** (Dar es Salaam: Tanzania Publishing House, 1972).

20. Karl Marx, **Capital: A Critique of Political Economy** (New York: International Publishers, 1977), Vol. 1, pp. 450 - 451.

> for Great Britian. By constantly making a part of the hands 'supernumerary', modern industry, in all countries where it has taken root, gives a spur to emigration and to the colonization of foreign lands, which are thereby converted into settlements for growing the raw material of the mother country; just as Australia for example, was converted into a colony for growing wool. A new and international division of labour, a division suited to the requirements of the chief centres of modern industry springs up, and converts one part of the globe into a chiefly agricultural field of production, for supplying the other part which remains a chiefly industrial field. This revolution hangs together with radical changes in agriculture.[21]

The advanced countries, following the rapid exhaustion of their industrial raw materials, have succeeded in replacing these commodities by shaping periphery countries of the world capitalist market into resource-colonies. The importance of the periphery as supplier of agricultural raw materials has thus, from the standpoint of metropolitan capital, been superceded by its importance as supplier of industrial raw materials, i.e. minerals and fuels.

The situation which Marx had observed is thus replicated today in the relations between the advanced and Third World countries, whether the latter are outright colonies or formally independent. Their economies are shaped to cater to the needs of the raw materials-consuming countries of the West. Third World countries were underdeveloped as primary producers, meaning that they lack the instruments of production, *i.e.*, capital and technology, which are necessary for capitalist industrialization but which are monopolized by the industrialized countries. It is the resulting deliberately shaped structural condition of dependence that has enabled the industrialized countries to continue to exploit, to their own benefit, the primary resources of the underdeveloped areas, including Nigeria.

Nigeria is an artificial creation of European diplomacy and expansionism. Its role in the world capitalist economy was as a primary producer for the manufacturing industries of Europe on which it in turn depended for manufactured goods. In particular, the British administration's perception of the Nigerian economy came chiefly through its foreign trade in which British merchant houses played a predominant role. That economy was dominated by extra-territorial firms concerned with marketing the country's primary agricultural products. The traditional society was disrupted and social relations re-arranged in accordance with the needs of colonial capitalism. Foreign concerns made huge profits, but did not use them for industrial investment within the country. The country was thus locked into a situation that virtually

21. *Ibid*, p. 451.

excluded industrialization either as a way of increasing self-reliance or of increasing standards of living. With the rise of the oil industry, Nigeria has clearly joined the group of countries primarily exploited for their mineral rather than agricultural resources. Despite the increased revenues capital formation for industrial development has not followed to any significant degree. Production relations remain frozen into a shape that was determined by the way in which the Nigerian economy had been forcefully fitted into the world market under the control of foreign business interests.[22] Despite flag independence, the fundamental situation of economic dependence and underdevelopment persists.

Dependence and underdevelopment are the primary results of the international division of labor on a Third World country like Nigeria. They should constitute the fundamental bases of the country's grievance about its exploitation in its international economic relations with the advanced countries. Objective interests suggest that the task of economic nationalism in Nigeria must be to redress this exploitation.

The Nature of the Nigerian State

Third World economic nationalism implies an ideological preference for strategies that confront imperialism by regulating, controlling or restricting various elements of its international economic relations with the center countries. The autonomy and power of the state is therefore crucial not only in articulating the concept of economic nationalism but also in pursuing its strategies.

If economic nationalism is to be anything but an empty token gesture, the policies and strategies of the Nigerian state must involve jeopardizing the interests of international capital in the country and ultimately disengaging the economy from the exploitative international division of labor. In other words, the State must be oriented to doing serious battle against international capitalism. However, the Nigerian state presently is not in a position to so confront imperialism. This is so because of three basic weaknesses of the ruling class.

First, the ruling class lacks a strong material base, a weakness arising from the colonial legacy.[23] Colonialism ensured the underdevelopment of authentic capitalists among the nascent bourgeoisie by discouraging local entrepreneurship. Foreigners controlled mining, industrial enterprises, banks, wholesale trade and large-scale farming. The nascent bourgeoisie was therefore, in fact, a comprador bourgeoisie whose class position stemmed not from the ownership of the means of production but from being class agents or allies of foreign capital.

Second, factional antagonism within the ruling class prevents it from presenting an effective national resistance to imperialism. This factional antagonism is exacerbated by petroleum production, which gives rise to large state revenues. These large revenues give impetus to factional struggles to control the state apparatus and thereby to control the spending of the petronaira. The two major antagonistic factions of Nigeria's ruling class are the bureaucratic and business elites. The former includes top civil servants, technocrats and military officers while the latter includes a small group of local "capitalists" and a larger group of middlemen, general merchants and importers and exporters. To survive in their struggles, each faction has specific relations with sections of international capital.

Third, Nigeria's ruling class faces the potential threat of a generally disgruntled proletariat, whose grievance arises from its alienation in the distribution of the national product. The problem for the ruling class is that the wretchedness and poverty of the masses exist alongside a relatively well-developed political consciousness to demand material betterment and egalitarianism from the state. The ruling class has thus far effectively used coercion to deal with the revolutionary potential of the under-classes, but the latent threat persists.

Because of these factors, politics in Nigeria has been reduced to crude warfare. The state is unstable. The consuming concern of the ruling class is class survival. There is therefore not enough energy left for doing serious battle with imperial capital. In other words, economic nationalism is tame.

The Nigerian state is therefore not exactly a "national" state, because it is not a carrier of national resistance to foreign domination. Neither is it exactly a "comprador" state, because it is not solely an agent of social forces external to the society. The Nigerian state, more correctly described, is an organ of capital in general, i.e., both domestic and international.[24] In the first place, the state is, in the words of Beckman, an organ of the domestic bourgeoisie, "not [so much] because of the sectional rivalries between national and foreign capital (which do exist), but because of the strategic role of this class in bringing about the subordination of its territory to the rules of international accumulation".[25] In the second place, the Nigerian state is also an organ of international capital, "not so much because state institutions are directly commandeered by international firms and their local agents (which is done), but

22. See Tom Kemp, **Industrialization in the Non-Western World** (London: Longman Group Ltd., 1983), Ch. 7.

23. Claude Ake has advanced this argument with respect to the African bourgeoisie in general. See his **Revolutionary Pressures in Africa** (London: Zed Press, 1978) pp. 34 - 35.

24. See Bjorn Beckman, "Whose State? State and Capitalist Development in Nigeria," **Review of African Political Economy**, No. 23, January - April 1982, pp. 37 - 51.

25. *Ibid*, p. 49.

because of the way in which international, world-market-oriented accumulation has been internalized into the Nigerian political economy".[26]

There is thus no reason to believe that economic nationalism will become an effective policy that will lead to the revolutionary overthrow of imperialism in Nigeria. On the contrary, the state will tend to accomodate international capital while at the same time expressing the "revolutionary" impulses that arose from the experiences of exploitation within the existing division of labor. However, such revolutionary impulses will tend to be expressed only weakly, as bourgeois nationalism, i.e., not as a case for populist or radical social change. Economic nationalism in Nigeria will thus be pursued primarily as a means of maintaining the existing relations of production from the international division of labor and as a means of consolidating the rulership and legitimacy of the fledgling Nigerian ruling class.

The Limited Impact of Economic Nationalism

In a Third World country like Nigeria one can identify a number of indicators of genuine economic nationalism. These would include the following:

a) The degree of disengagement of the national economy from international capitalism in which Nigeria is evidently a peripheral, underdeveloped, appendage.
b) The extent to which the drainage of surplus out of the country has been reduced, such drainage being an important and persisting means of imperialist exploitation of the country.
c) The degree of nationalization of the commanding heights of the economy, in view of the foreign domination of the economy and the subordination of the national interest, and
d) The degree of indigenization of the available productive ventures in the country, in view of the overwhelming foreign ownership of such ventures.

These indicators are by no means exhaustive, but they arise from the political economy of contemporary Nigeria and reflect an attempt at a systematic and coherent offensive against some of the most important mechanisms of imperialism in its underdevelopment of the country. In this section, I will discuss these factors in order to point to the limited impact of economic nationalism on reducing dependence and promoting autonomous development in Nigeria.

26. *Ibid*, p. 50.

Non-Disengagement from International Capitalism

Nigeria has become well integrated into the world capitalist economy and every day the lives of more and more Nigerians are more rigorously affected by the logic of that system. However, under the present circumstances, from the standpoint of Nigerian leadership, total disengagement from that system is untenable. It would entail the "difficulty" of learning to live without international aid and imported technology and consumer goods. Also, from the perspectives of the ruling class, a decision to end the exploitative relations with international capital would invite severe reprisals, including the disintegration of the economy, by foreign interests. As Claude Ake has rightly observed, only a particular kind of African society can withstand the strains and stresses entailed in disengaging from the exploitative relations with international capital. It would have to be a society that possessed "ideological clarity down to the grassroots", and where "antagonistic contradictions did not exist between the ruling class and the masses. With few exceptions, the societies of contemporary Africa are far from meeting these conditions."[27] The Nigerian society is certainly not among the few exceptions.

Persisting Conditions for Surplus Drainage

Economic surplus is roughly the difference between society's total output and its total consumption.[28] In capitalist societies, the size, appropriation and utilization of the economic surplus are central in the developmental process. The surplus plays a fundamental role in determining the pace of accumulation and the development of productive forces.

Historically, the struggle between classes in capitalist society has always hinged on conflicts over the appropriation and use of the surplus. In progressive quarters, it is held that the domination of Third World countries by foreign transnational corporations allows these entities to drain significant portions of the surplus produced in these countries. While the initial act of direct foreign investment by a transnational corporation may imply a capital inflow into a Third World country, there is also typically a stream of profits, interests, dividends, royalty payments, management and service fees which are

27. Ake, **Revolutionary Pressures**, *op. cit.*, p. 54.

28. For a Marxian treatment of the notion of the economic surplus, see Paul A. Baran, **The Political Economy of Growth** (New York: Monthly Review Press, 1968), Ch. 2.

repatriated by the firm through several legal and and not-so-legal devices.[29] Given this tendency, capital accumulation can neither be intelligently planned nor can it proceed at a maximum pace in the Third World country. The result is persisting underdevelopment.

The fact of surplus drainage can be established in the Nigerian case, especially in the oil sector where the surplus is more apparent. Elsewhere,[30] I had defined the surplus from Third World mining as differential rent, arising from its rich quality minerals and low labor costs. In Nigeria, the petroleum industry is dominated by foreign operators. We have recently noticed the renewed campaign by the Nigerian National Petroleum Corporation (NNPC) to improve the already existing lucrative investment climate for the operators. With this climate, rent will continue to be siphoned out of the country through high fees for technology and management, etc. In Nigeria, economic nationalism, if measured in terms of the degree to which surplus drainage by foreign entities has been reduced, is, therefore, not radical enough, i.e. not anti-imperialist.[31]

Partial Nationalization

The best indicator of failed economic nationalism in Nigeria is the ineffective and less-than-total nationalization of important sectors of the economy. Currently, the oil industry, for example, contributes over 90 percent of the country's foreign exchange and some 66 percent of Federal Government revenue. In view of the importance of oil in the economy, this sector should be expected to attract the greatest efforts toward economic nationalism, in terms of seeking total and absolute control by Nigerians. In certain respects, this has been so. For example, in 1974, the government assumed 55 percent participation in the oil business. However, such partial involvement (whatever the percentage) in such an important sector indicates that a sovereign state is opting for less-than-total control of its own economy! That attitude is not nationalistic. This implication is appreciated the more when one considers the large surplus inherent in the oil sector. For example, it was calculated that while the Nigerian government's 55 percent share of the oil sector in 1974 cost £780 million, the net return would be £5,000 million at the least![32]

29. See, for example, Chibuzo N. Nwoke, **Third World Minerals and Global Pricing — A New Theory** (London: Zed Books, 1986); and Adeoye Akinsanya, "Nigeria and the Multinationals", in G.O. Olusanya and R.A. Akindele, eds., **Nigeria's External Relations: The First Twenty-Five Years** (Ibadan: University Press Ltd., 1986), Ch. 14.

30. Nwoke, **Third World Minerals and Global Pricing**, *op. cit.*

31. It must be noted that the practice of siphoning surplus out of Nigeria is not the absolute preserve of foreign entities. Many well-placed Nigerians have been known to have stashed away for themselves billions of naira belonging to us all in foreign banks. This practice, which has been aptly labeled as economic sabotage, is the ultimate demonstration of lack of the spirit of economic nationalism by individual Nigerians.

32. See **The Daily Times**, June 18, 1974, as cited by Ake, *op. cit.*, p. 49.

The partial nationalizations prevalent in many Third World countries today demonstrate that international capital is still effectively in control of the economies. In Nigeria, nationalizations merely involved renegotiation of the economy's original terms of dependence. The oil sector is still heavily dependent on metropolitan transnational corporations in exploration and prospecting, technology and managerial expertise and the use of worldwide marketing networks. In response to increasing demands in the new wave of nationalism, metropolitan capital's defensive strategy has been to resort to management contracts in its Third World operations, demanding very high compensation through mark-ups on its contractual fees for the resources it monopolizes.[33] As noted in the previous section, this kind of arrangement allows the siphoning of differential rent from Nigeria's rich petroleum base. Partial nationalizations in Nigeria are less-than-nationalistic and constitute not only continued exploitation but a fetter on maximum accumulation in the domestic economy.

Mis-Directed Indigenization

The last indicator of failed economic nationalism is the misdirected impact of the indigenization exercises first introduced by the 1972 Nigerian Enterprises Promotion Decree. Because there is ample literature on the subject, I will simply summarize the essence of the findings therein.[34]

Economic activities reserved for Nigerians were in spheres that did not exert a significant influence on the economy. These included singlet-making, tire retreading, candle manufacturing, etc., activities originally run by Nigerians anyway. Foreigners were allowed to participate in the more vital sectors like wholesale distribution, shipping, construction, boat building, furniture manufacturing, bicycle manufacturing, etc. In principle, Nigerians were allowed to buy into foreign business, and in effect, only well-established local businessmen were "credit worthy" to receive bank loans for such a move. Moreover, the decree failed to bring the really big enterprises and transnational corporations, which dominate the economy, under Nigerian control.

33. See Nwoke, **Third World Minerals and Global Pricing**, op. cit., for the empirical validation of this assertion in the minerals sector of Third World countries.

34. For an insight into this literature, see the following: Paul Collins, "Public Policy and the Development of Indigenous Capitalism: The Nigerian Experience," **The Journal of Commonwealth and Comparative Politics**, Vol. 15, No. 2, July 1977, pp. 127-150 and "The Political Economy of Indigenization: The Case of the Nigerian Enterprises Promotion Decree," **The African Review**, Vol. 4, 1976, pp. 493-494; Thomas J. Biersteker, "The Illusion of State Power: Transnational Corporations and the Neutralization of Host-Country Legislation," **Journal of Peace Research**, Vol. XVII, No. 3, 1980, pp. 207-221; Ankie Hoogvelt, "Indigenization and Foreign Capital: Industrialization in Nigeria," **Review of African Political Economy**, No. 14, January - April 1979, pp. 56-68; Chibuzo S. Ogbuagu, "The Nigerian Indigenization Policy: Nationalism or Pragmatism," **African Affairs**, Vol. 82, No. 327, April 1983, pp. 241-266; and Adeoye Akinsanya, **Economic Independence and Indigenization of Private Foreign Investments: The Experience of Nigeria and Ghana** (Columbia, S.C.: Institute of International Studies, 1982).

Given the above scenario, one cannot say that the indigenization decree was made because of a strong ruling class commitment to stop, in a fundamental way, foreign domination of the Nigerian economy. Nor was the decree designed primarily to improve the material well-being of all Nigerians. In other words, the decree was less than nationalistic. Beckman understands the objective of the decree very well. According to him,

> The Nigerian bourgeoisie, for its own class reasons, wanted a bigger share of the profitable, foreign-controlled business operations going on in its territory. It wanted to be admitted on an equal basis to the exploitation of Nigerian resources and labour. It certainly did not want to chase out foreign capital. In fact, influential sections of the Nigerian bourgeoisie are seriously concerned that indigenization policies have unduly frightened foreign capital, thereby under-cutting the range of partnership which they, for their own purposes, wish to pursue. The 1977 Decree [was] revised in order to permit foreign majority ownership in agricultural ventures.[35]

Consistent with the objective so described, one significance of the indigenization decree lay mainly in the consolidation of bourgeois power in Nigeria. From Ake's perspective, one important effect of the decree was

> to rationalize the relationship between the Nigerian bourgeoisie and its patron, international capitalism, in such a manner as to decrease the chances of serious conflict between them. The decree limits the chances of serious conflicts by a clearer demarcation of spheres. It reserves a sphere of influence for Nigeria's marginal capitalists, and international capitalism is to refrain from interfering in this sphere. Such restraint is clearly necessary to contain the potentially dangerous economic nationalism of the petty-bourgeoisie. The decree integrates the Nigerian bourgeoisie with international capitalism by involving them in business partnerships to a greater degree than ever before. The authors of the decree admit to this.[36]

In sum, the primary impact of Nigerian indigenization was the expansion and consolidation of bourgeois hegemony. It did not contribute to the betterment of the material well-being of the majority of Nigerians. The impact was therefore misdirected.

Summary and Conclusion

Because the subject of economic nationalism is itself relatively underdeveloped, this paper has attempted to articulate the idea as a useful variable in foreign policy analysis. The objective has been to put into focus the concept of economic nationalism from the perspective of Nigeria's dependent position in the international capitalist division of labor.

35. Beckman, "Whose State?" op. cit., p. 44.

36. Ake, **Revolutionary Pressures**, op. cit., p. 49.

In the contemporary world economy, countries as agents of production are divided into two classes: those who possess instruments of production and those, like Nigeria, who possess essentially raw materials. The result of the increasingly intensified struggle between the two is the domination of the latter by the former. Given this scenario, the idea of economic nationalism becomes, for Third World countries, a crucial force, constituting the impetus for pulling out of the exploitative international division of labor and securing for their nationals the benefits from their richly endowed economies.

In order to be able to construct more adequate economic policies and strategies, peripheral capitalism needs constantly to evaluate the impact of its nationalism. Another objective of this paper was therefore to evaluate the impact of nationalism in Nigeria's economy. Though there have been some concrete achievements, they do not amount to Nigeria's disengagement from international capitalism. The problems of dependence and underdevelopment, characteristic of peripheral participation in that system, are therefore not being fundamentally solved in Nigeria.

Nigerian economic nationalism has been essentially bourgeois in nature. The state apparatus has been used to secure larger concessions from foreign monopoly capital. But such concessions accrue only to the few privileged members of the ruling class. In the few instances where the dominance of foreign capital in Nigeria seemed to be opposed officially, the objective has been to aggrandize members of the ruling class. The nationalism of the bourgeoisie does not include the interests of ordinary Nigerians; and it has failed to stop foreign domination of the economy. The bourgeoisie has shirked the obligations of an authentic nationalist ruling class.

We must not mistake the achievements of economic nationalism, as practiced to date, for genuine revolutionary change. The world capitalist economy is being modified to incorporate more national bourgeoisie from the periphery. In the process, some of the power and status of the national bourgeoisie in the center countries has seemed to decline. But the power of big transnational firms has not been significantly affected. On the contrary,new opportunities have been created for their investment outlets and sale of technology and management. Such evolutionary changes must constantly be monitored and compared with a true revolutionary alternative, concerned with the basic needs of marginalized Nigerians for material betterment and control over their own natural and social environment—as the objective, rather than the derivative, of economic development.

The present economic nationalism has failed. What then should be the agenda for future authentic economic nationalism? I will suggest the following short list of policy instruments, to which others could be added.

First, we need a new society whose people have a sense of nation. It is necessary to establish a machinery that will evolve a new political culture, which would de-emphasize materialism and selfishness. This will entail a massive reeducation program based at the grassroots. Its objectives would be to reorient Nigerians to thinking nationally, by evolving national norms in which the interests of the nation are perceived to be greater virtues to pursue than the narrow and selfish interests of the individual or sections of the society. This new consciousness can only be created by a revolutionary class.

Second, we need a genuinely selfless and truly committed leadership whose major preoccupation would be with the stability of the country and the mechanics of raising and improving the standard of living of marginalized Nigerians. I suggest the one-party system as the political arrangement that would better evolve such a leadership. In theory at least, the one-party system would have the advantage of accomodating our various ethnic, tribal and religious differences, rather that emphasizing them like multi-party systems tend to do. This proposition assumes a political culture with that basic sense of nation suggested above.

Third, the concept of economic nationalism needs to be clearly and comprehensively articulated and politicized by policy makers. It needs to be merged with political nationalism. Our present foreign economic policies and strategies are not informed by an anti-imperialist ideology. Our strategies should be oriented towards disengaging from the world capitalist system and rejecting the international division of labor it imposes.

Fourth, more stringent measures must be taken to halt surplus drainage from the country and to orient our resources towards national development. A necessary, though not sufficient, precondition for this is the effective localization of staff and the full and integral nationalization of the ownership and management of the commanding heights of our economy.

Fifth, minerals exports to the center countries must be gradually and progressively phased out. Minerals are unrenewable and their depletion for export robs the nation of the indigenous resources that should be available for use as an input into the local productive system for the satisfaction of people's basic needs. Policies for geological exploration must also be pushed vigorously in order to develop a more complete and balanced inventory of our indigenous resources for the purpose of nationalist development planning. For the present Nigeria should remain OPEC, but with the understanding that it is a transitory, rather than permanent, strategy. Such producers' associations are, in this transitional phase, an important

means of increasing market power in the international system and of improving the terms of trade and the price of mineral exports to the industrialized countries, but the long range goal must be orienting production to domestic needs and uses.

Finally, a serious effort must be made to develop and nurture an indigenous technological research and development capability with the objective of developing economic means of utilizing Nigeria's mineral resources in the local productive system for the satisfaction of the needs of Nigerians. This way, our consumption pattern would ultimately be structured around our locally available resources and technology, instead of being dictated by Western culture.

Structures of Neo-Colonialism: The African Context of Human Rights

John Rusk

We are devoting this issue of the African Rights Monitor to a summary report of a symposium organized by a coalition of international scholars brought together by our senior editor George W. Shepherd, Jr. and Professor Claude Ake of the University of Port Harcourt in Nigeria and supported by a grant from the Ford Foundation. The conference was held June 9-11, 1987 at Port Harcourt as a follow-up to a similar gathering held at the University of Denver in October 1985. **Africa Today**, Vol. 32, Nos. 1 and 2 contained most of the major papers from that meeting. The next issue of **Africa Today** will publish some of the major papers from the Port Harcourt conference. Participants included human rights activists as well as academics.

The basic issue faced by the participants arose from the fact that several decades of formal independence from European colonial rule have left many Africans wondering what happened to the promised fruits of that independence. Economic stagnation and dependence, foreign military intervention, and in many cases the wholesale debasement of human rights have characterized large areas of the African continent in recent years. Self-styled Western experts have found it fashionable to blame the Africans themselves for their present predicament. But increasingly, African scholars are attacking the fundamental assumptions of Western development models that contribute to the assymetrical distribution of power and benefits in the world system. The abysmal human rights record of many African states has not escaped the close scrutiny of observers and must be included within the parameters of this larger debate. Several important questions emerge: Do macro-level structures and processes account for the dismal human rights record exhibited by some African states? Is there a unique indigenous tradition and perspective on human rights among Africans? Given the constraints of underdevelopment, can Africans implement mechanisms that protect and advance their rights?

The symposium, entitled "Human Rights in the African Context", met at Port Harcourt, Nigeria to grapple with these timely issues. Scholars and human rights activists from Africa and around the world were brought together to debate many of the contentious issues. From this gathering, several themes surfaced that merit inclusion in this Africa Rights Monitor (ARM).

The Western tradition of human rights rests on the notion of the individual and the claims he or she asserts against the interests of the state or other individuals and institutions. This perspective has found its way to Africa as well—to some extent through the influence of colonial history. Many African constitutions along with the African Charter of Human and People's Rights codify the spirit of this tradition. While in many cases Africans have been able to benefit from these laws, African scholars at the symposium were quick to identify the concrete limitations of a strict legalistic approach to human rights problems in contemporary Africa.

Professor K. Mathews of the University of Nigeria, Nsukka, discussed at length the significance of the African Charter adopted at Banjul, the Gambia, in 1981. According to Mathews, there are several important weaknesses in both the Charter and the implementation mechanisms which allow despotic regimes to continue on their paths of abuse. The Banjul Charter breaks new ground by embodying all three generations of human rights; however, it gives priority to the third generation category, embracing economic development. Mathews fears that this prioritization will give authoritarian regimes a ready excuse for their repressive policies, given the bleak development prospects of most African countries. He also points out that the Human Rights Commission established by the Charter is a watchdog without legal teeth, leaving compliance to the individual states. Moreover, the OAU Charter which embraces the notion of mutual non-interference in the internal affairs of member states, allows Heads of State to deflect criticism. Nevertheless, Mathews is encouraged by the adoption of the Charter. It has promoted discussion of human rights among various segments of African society. But vigilance by African people, he suggests, is still the most important safeguard against human rights abuse.

In his keynote address to the conference, Professor Claude Ake pointed out that the Western concept of human rights assumes individualism and the atomization of society, which in the case of Africa is at odds with the experience of many traditional people whose lives are linked into a network of collective social relationships based on family, clan, or ethnic group. Ake went on to remind his audience that the concept of abstract legal rights is alien to the context of the traditional environment which stresses identification through groups.

Many other scholars emphasized the need for the international human rights community to differentiate between concrete and abstract issues when attempting to advance the cause of human rights in Africa. Given the level of underdevelopment and illiteracy in Africa, the realization of legal rights for millions of people is, at best, problematic. Illiterate Africans are unlikely to appreciate the full scope of their legal rights, let alone be able to challenge the

state successfully when their rights are violated. Even if an individual appreciates his or her legal rights, meager personal resources may inhibit their realization. Moreover, as Ake suggested, the grinding proverty that plagues much of Africa compels an individual to devote nearly all of his or her time to the daily struggle for survival.

Imperialism and Human Rights

A recurrent theme that ran through nearly every discussion at the conference was the question of the proper role of colonialism and neocolonialism in the present human rights crisis. Most of the African participants subscribed to the view that the West has failed miserably in its understanding of African problems because it has not properly analyzed the political economy of repression. This perspective supports the notion that colonial modes of production were instrumental in the formation of a comprador class which would look after the interests of the metropolitan power once it formally departed its colonial outpost. Such a class does not establish deep roots in the indigenous community, but rather establishes linkages to various elements in the international system. Since its interests naturally diverge from the national interest, it is unable to engender enduring support and loyalty from large segments of the population. As a system of privilege within an underdeveloped nation, the comprador class faces continual challenge to its rule. Lacking significant political and economic resources, harsh suppression becomes the typical political capital of the regime.

A comparative analysis of the political economy of Chile and that of the African states was presented by Chilean scholar and human rights activist Claudio Gonzalez Parra, focusing on the linkages between the interests of international capital and the level of political repression in Third World countries. Such comparative studies, he holds, are urgently needed to elucidate the structural underpinnings of the problem. He argues that human rights underdevelopment is inextricably linked to the economic model of development promulgated by the ruling class and international capital. Policies of export-oriented growth, unbridled foreign investment, and free-market mechanisms disproportionately benefit the comprador class while economic austerity measures serve to immiserate the majority and widen the gap between wealth and poverty. Such a system obtains important support from the more developed countries, including the systemization of repression through the transfer of military training and technology.

Picking up on the theme of imperialism and repression, several scholars elaborated on the role played by various international institutions in buttressing the power of the African comprador class. Coming under particularly harsh criticism was the International Monetary Fund (IMF) and the effects of its mandated austerity programs on the status of human rights in those countries forced to accept its demands. As Professor James Mittelman pointed out in his discussion of the issue, the IMF was created to service the interests of international capital and is effectively controlled by a few key Western states. As a condition to accepting IMF assistance for balance of payment problems, the recipient has no choice but to buckle under to IMF economic prescriptions. These typically include massive reduction in public sector spending, increased reliance on market mechanisms and export-oriented development policies. Because the comprador class acts as an agent for international capital, these prescriptions further entrench its position within the recipient nation's extroverted and disarticulated economy. Conversely, austerity measures are borne by those who can ill afford them. As the standard of living falls for the majority of the people, political instability often rises. Coercine measures are often the only available resources for handling such a situation.

The interventionist nature of the international security system was also roundly criticized at the symposium, with many African scholars and activists holding it directly responsible for much of the human rights degeneration throughout Africa. As economic forces have stagnated over the last decade, it was noted that African countries have squandered large sums of their meager resources on ever-expanding security apparatuses. The world's industrial powers have not been innocent bystanders in this process. The global security interests of the United States, Western Europe, and the Soviet bloc expanded dramatically in the 1970s and 1980s to encompass Africa from Cape to Cairo. The emergence of client states to service the needs of these outside powers has come at the expense of the majority of the African people as the world has witnessed the institutionalization of military and authoritarian regimes throughout the continent. The massive infusion of military aid that comes with the role of client state and subimperial power serves to bolster authoritarian institutions and crush opposition to its rule.

It was regrettably noted that in the 1980s, Africa is burdened by the most severe refugee situation in the world, with the ranks of the homeless swelling daily. War and famine—not always unrelated—largely account for this human tragedy. Professor Barbara Harrell-Bond of the Refugee Studies Programme at Oxford University and Dr. Michael Schultheis of the Jesuit Refugee Service in Rome, Italy, discussed the special problems associated with protecting the rights of refugees within reluctant host countries. Harrell-Bond drew attention to the frequent omission of the refugee issue from mainstream human rights discussions. The United Nations High Commission for Refugees (UNHCR) must deal with political issues that often inhibit the full protection of refugee rights.

The growth of militarism in Africa has gone hand-in-hand with the failure of various development schemes to reverse the economic stagnation and rapidly growing social inequality throughout the continent. The conference locale, and the large number of Nigerian participants, meant that the situation there received special scrutiny. Professor S. O. Alubo of the University of Jos asked whether the self-styled "human rights—open government" of General Babangida had made any difference in the human rights condition of the average Nigerian. Alubo believes that structural violence has increased as economic austerity measures and the commercialization of social services were introduced after Babangida's ascendency. The rationale for military coups is often proclaimed to be to end corruption and depose inept leadership. Alubo insists that the contemporary crisis in Africa is a problem of political and economic structure and not of management. Alubo contends that human rights problems cannot be resolved apart from a resolution of the contradictions of class and capitalism in Africa. The presence of wealth in the midst of growing poverty creates opposition that can only be contained by repression. The military in Nigeria has served to protect the interests of the comprador class. Government policies are determined by the structure of Nigerian society and not by the benevolence of the state, according to Alubo. The present military regime, he demonstrated, has allowed freedom of speech and association only to the point that does not threaten or question the interests of international and comprador capital.

Creating Solidarity

Many conference participants were led to wonder whether Africa has the necessary commitment and resources at its disposal to combat the powerful local, regional, and international structures that intertwine to produce repression. Many believed that while the transformation of the underlying structures of inequality and repression would change only slowly, cooperation and action among human rights scholars and activists could proceed along a number of fronts: the retardation of militarism, refugee protection, support for liberation movements, and international implementation of sanctions against the apartheid regime in South Africa. Happily, increasing numbers of human rights activists are appearing in Africa with connections to international organizations such as Amnesty International, lawyers' human rights associations and international anti-apartheid groups.

Specifically, the cross-national solidarity on human rights issues was cited as an important support to indigenous efforts in this field. Lively discussion followed the presentations of Professor Sanford Wright of Indiana State

University and Professor Haider Khan of the Graduate School of International Studies at the University of Denver. Both argued the case for tightening and universalizing international sanctions against South Africa and demonstrated the disruptive effect of tough international sanctions on the white power structure in South Africa. Africans were eager to emphasize that while international cooperation may be advantageous to the advancement of human rights in Africa, as in the case of sanctions against South Africa, the primary impetus will have to come from Africans themselves as they create coalition groups that represent the true interests of the African community as opposed to those who represent the interests of international capital or international military concerns. Professor Shepherd stated that growing solidarity on rights issues among Africans could help form the basis of collective self-reliant development which he sees as the most realistic and appropriate response to the current human rights crisis. At present, this process is moving slowly as its proponents grapple with the various approaches to the problem. The need to educate people about human rights at all levels of society is seen as paramount. As human rights crises throughout the continent intensify, more and more Africans have become receptive to discussions of these issues.

Lessons From Port Harcourt

Western writers and politicans have often dismissed out of hand the significant contribution made from Africa concerning human rights. It is erroneously assumed that Africa, with all its problems, is responsible for its own predicament and has little to offer the world in the way of understanding the fundamental questions of rights. The vitality shown in three days of lively, intense, and healthy debate in Port Harcourt belies the notion of African apathy. All too often, lack of resources has prohibited African participation within the international human rights debates. International conferences have a crucial role to play in the enhancement of African participation in political as well as human rights debate. All too often, Africans are denied a proper forum for discussion of these issues.

African scholars are reminding the world that the problem of human rights in Africa is a problem of self-determination. Years of domination and exploitation by outside interests have created structures of repression and inequality. As such, human rights questions are indivisible from the broader issues of justice and equality in the international economic and political sphere. Accordingly, these debates bring to the fore the reality of third generation or group rights. This African perspective takes nothing away from the other two generations of rights; to the contrary, it enriches the world's evolving understanding of human rights.

Biography of a Shaper of the Nigerian State

Alan Feinstein

John Paden, **AHMADU BELLO, Sardauna of Sokoto: Values of Leadership in Nigeria** (London: Hodder & Stoughton; Exeter, N.H.: Heinemann Educational Books, Inc., 1986) pp. 726, appendices, index (pp. 799 paperback) £19.95 (British Edition, hardback), $12.50 (paper).

When someone chooses to write a story centered on a particular person, the first consideration is to determine what or whose point of view is to be its focus. Should it be as the subject sees it, as his or her spouse sees it? Should it be as society sees him or as an integral part of a political process?

When the author who undertakes the task is a political scientist of some eminence, it is reasonable to assume that the focus will be on society as much as the individual and that a scholarly, carefully researched study of the personage and his times will emerge. Indeed, the 726 pages and appendices of Dr. Paden's **Ahmadu Bello** represents that kind of effort and result. His reputation as a scholar continues at its usual high level, undiminished with this massive tome. The analysis of the "Values and Leadership" of his sub-title is all there, amply listed and documented.

In this sober treatise, Professor Paden chose to concentrate his efforts more on portraying the effect of Sardauna Ahmadu on the Northern Region of Nigeria and its inhabitants than on revealing what made him tick, or how he reached his lofty position. One gathers from Paden's treatment that the Sardauna's own writings were not especially autobiographical in nature or philosophical self-analyses and musings. What he did write was minimal, even to the point where he disclaimed any major contribution to his own autobiography, **My Life,** published by Cambridge in 1962. There were communications with local or foreign figures, but these were principally in the pursuit of his administrative and political functions.

Thus Professor Paden depended to a great extent on a voluminous number of personal interviews with the people who surrounded Ahmadu Bello, to gain what insights he could. Since the Sardauna's position had always been a head above those around him, deference and praise-singing was the order of the day. What with the current resurgence of identification with the symbolic image of the mighty Sardauna on the part of the Northern elite, the reader could be forgiven if he didn't exactly take the praise singing as gospel truth. Not that the bigger than life images were consciously adulatory, but that was just the way they viewed the great Sardauna. The universal reverence of him during his lifetime was compounded of his royal status as a direct descendant of Shehu Usman Dan Fodio, the founder of the Fulani Dynasty in the Sokoto Caliphate and his political status as Premier of the Northern Region, with "his lieutenant, Prime Minister Abubakar in Lagos".

The picture of Sardauna Ahmadu Bello as a moderate reformer which seems to surface in spots in this biography is a little perplexing. Generally, comparative studies have gauged him more as a defender of the status-quo, with Prime Minister Abubakar

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Tafawa-Balewa as the middle of the road reformer, and Mallam Aminu Kano as the radical, modernizing force. Sir Ahmadu did exert his powerful influence toward modification of the traditional structure, but only enough to maintain it intact in a changing world. His well-known desire to become Sultan was ample testimony to his orientation. Whether he thought of himself as "Sarkin Arewa" (Emir of the North) or no, he functioned as though he were and was universally perceived as such. True, Paden points out that his concern went beyond the limits of the early Sokoto Caliphate, to include the entire Northern Region, but that does not dispel the impression that his was the traditional manner of rule.

The Sardauna's extensive use of what Dr. Paden calls "Gateways", or influential individuals indigenous to those areas outside the original Sokoto dominion, as well as to the Emirates within the core area, where the local traditional leadership was growing restive, was very much in the competitive mode of the traditional family compact rule. Everything Paden says about the Sardauna's sense of fairnesss, his generosity, etc., is perfectly valid so long as one remains within the traditional framework. It is at least possible that the lavish gifts the Sardauna is known to have conferred would be considered by some as somewhat extravagant dispensations of largess in more modern circumstances.

The Sardauna's policy of Northernization must be seen in this context as well. With the Northern Region circumscribed as his bailiwick, when the Sardauna favored its less developed areas and openly promoted Northern citizens over the better educated Southerners, it cut with a double edge. To some it was unfair and divisive, though the Sardauna himself regarded the upgrading process as a form of affirmative action and therefore unifying in the long run. This has always been a very sensitive issue, but especially so in those early years of 1959-1966, in the North as well as the South. Aminu Kano, the leader of the militant opposition and every bit as loyal to the North as the Sardauna, also made the education of Northerners one of his top priorities, and worked within the confines of his Hausa-Fulani background, yet Northernization was not part of his political program. Aminu didn't fault the Sardauna's strong leadership, but it was what he did with that leadership that raised his hackles. He saw proper distribution of the benefits of development as key, not development of a particular region.

Even with the thoroughness of Dr. Paden's research, the life of Ahmadu Bello remains somewhat dimly defined. The period of his ascendancy continues to be diffuse and enigmatic, with undertones of interpretive differences still rumbling. Books analyzing the first coup, its victims and its participants arouse heated debate. The deleterious influence of the British system of Indirect Rule on this course of events is fully recognized, yet starting back in those first years of independence, and ranging over the 27 years since, the Nigerian leadership must be held accountable as well.

The effort and research in Dr. Paden's worthy publication yields a wealth of material, yet the life and times of Premier Ahmadu Bello needs even futher examination, as the author himself points out. If others are stimulated to additional probing into this important period and this man's role in Nigerian history, perhaps a little more of the mist surrounding him will clear. Until then, Dr. Paden's book truly stands as a pioneering effort and a major contribution to the continuing search.

Indigenization, Development and Dependence in Nigeria

Sakah Mahmud

Thomas J. Biersteker, **MULTINATIONALS, THE STATE, AND CONTROL OF THE NIGERIAN ECONOMY** (Princeton, New Jersey: Princeton University Press, 1987), pp. xvii + 344, $12.50 (paperback).

In this book, Biersteker's objective is "to understand why economic nationalist programs like indigenization have been undertaken, how they have been implemented, and most important, what has changed as a result... Is development enhanced? Is dependence reduced?" (p. 8). Indigenization programs (like divestiture, or mandatory joint-venture programs) are measures which relatively less developed countries "interested in a rapid capitalist development have employed" in order "to increase local (state or private) participation in and control of significant economic enterprises or sectors in any economy" (p. 6). Thus such programs have become a major concern in the theoretical approaches of international political economy; the author identifies six of these, namely: conservative neo-classical realists, liberal internationalists, structuralists, "vulgar" dependentistas, "sophisticated" dependentistas, and classical Marxists. While space will not allow a review of the author's criticism of these approaches, it is his opinion that each of these theoretical approaches, taken separately, have "some deficiencies" in their treatment of indigenization programs. He therefore argues that an alternative analysis will have to be "a broader synthesis of theoretical perspectives..." (p. 50); however, he chooses to use the neo-classical and radical approaches as a guide (p. 49).

The book is divided into seven chapters. The first chapter reviews the theoretical approaches mentioned above, the next five chapters are empirical and historical, examining "the sources, objectives and the consequences of Nigeria's two-phased indigenization program...", and the final chapter presents the author's "broader synthesis of theoretical perspectives... needed to accomplish the central objectives" of the book. Based on an extensive study of Nigeria's two attempts at indigenization, the jointly-led "local capital-state alliance" phase of 1972 and the "principally state led initiative" of 1977, the book offers a wealth of information and data (11 figures and 36 tables) gathered through interviews held in Nigeria with statesmen, businessmen and scholars, as well as officials of multinational corporations operating in Nigeria. The book thus provides information previously unpublished, and this is perhaps the major strength of the work as an important contribution in the field. As far as examining the "sources and objectives" of indigenization in Nigeria, and how they have been implemented, the book achieves this aim.

However, in terms of other questions raised earlier, concerning the consequences (results) of indigenization, the result is less striking. The reader is left with no clear answers as to whether changes have taken place as a result of indigenization (the assessment of which the author admits is more difficult). The same problem is apparent in

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the assessment of control. Since control of the national economy is a central issue in the study, one expects a more elaborate treatment of this issue. The conclusion that Nigerians are "in greater control..., but not enough" (p. 298) is to beg the question. In the author's summary of the consequences of indigenization, he observed that the local capital and state alliance initiative of 1972 resulted in the "consolidation of local capital in commerce" and "inequality" (which is expected since Nigeria was pursuing capitalist development) while the principally state led initiative in 1977 resulted in the "state control of finance", and "evidence of local capital movement into productive areas" (figure 7.1, p. 286). Questions arising from the above then include: whose control should be translated into "control of the national economy" - the state's or local capital's or both? Also, how much control is needed in order to enhance capitalist development and lessen dependency? Finally, is it possible under the circumstance, to achieve such control? The problem arising from these questions is aggravated by the author's choice of a synthesis of the neo-classical and radical analyses. Though the author charged that "most dependency and classical Marxist writers are trapped by their theoretical constructs into denying the possibilities of state-initiated programs" (p. 290) within a capitalist economy, his alternative approach does not present a different result. The major issue of concern to the dependency and classical Marxist theorists is not whether such initiatives are possible, but rather whether such initiatives are capable of leading those countries to achieve capitalist development. And this is the critical conclusion which the book failed to make from the study of Nigeria's indigenization programs.

Notwithstanding these later comments, Biersteker's book is a welcome contribution to the continuing debate over the problems and prospects of development in the Third World. On the whole, this is a book to be recommended, not only for being well written and balanced, but for its wealth of information.

Tutuola Writes Again

Nancy J. Schmidt

Amos Tutuola, **PAUPER, BRAWLER AND SLANDERER** (London, Boston, Faber and Faber 1987 (distributed in the U.S. by Harper & Row) pp. 156, $15.95 cloth, $6.95 paper.

"Popondoro's Beauty of Magnet," MC QUICK SHORT STORIES 1.1 (1985):26-34. **"Poverty the Father of Wretchedness, Assault and Conspiracy,"** **THE RIVER PRAWN** 1 (n.d.):8-12.

In an interview in **The River Prawn** Tutuola says he started telling and writing stories in the junior classes of primary school. He retold stories he heard from his favorite storyteller and decided to write them down when the storyteller suddenly died. Tutuola also uses his own imagination in his stories and includes Yoruba proverbs, idioms and religious practices. He admits to first having read the Yoruba stories of D.O. Fagunwa when he was in primary school.

Tutuola told his interviewer, "When I feel like working in English I do so, and when I am inspired in Yoruba I do not hesitate" (p. 12). "Poverty the Father of Wretchedness, Assault and Conspiracy" is an English translation by Dapo Adeniyi of a story Tutuola wrote in Yoruba. It is in essence most of Chapters 1 and 9 of **Pauper, Brawler and Slanderer.** The names of the characters are different: Pauper is Poverty, Brawler is Assault whose "sharp tongue" does not "discriminate between the noble and the peasant when it comes to the giving of insults" (p.8), and Slanderer is Conspiracy who specializes in calumny and deceit. Bliss and Good Health are husband and wife in this story, whereas Joy and Peace, their counterparts in **Pauper, Brawler and Slanderer,** are both women. The plot strands of the two stories which focus on the destinies of the three main characters and a battle between Poverty and Death are clearly the same, but neither the vocabulary nor the syntax of the translated sotry are Tutuolan.

"Popondoro's Beauty of Magnet" is not only Tutuolan in style, it is nearly identical with parts of Chapters 12-14 of **Pauper, Brawler and Slanderer,** except for a different beginning and ending, which make it a self-contained story with an explicit moral, some changes in vocabulary, and different names of a few of the characters. In the story Akoko the Woodcarver is Pauper and Tort the Shell-man is Slanderer. In both the story and book Popondoro is the woman whose "beauty of magnet was so powerful it attracted both males and females of all ages" (p. 26). All the men want to marry her including Akoko (Pauper) and Tort (Slanderer). By winning a hoeing contest, despite Tort's use of a charm to stop him, Akoko wins the beautiful woman in marriage. However, he loses her because he offends a "bad spirit" while cutting wood for his carving. In the booth Pauper loses Popondoro because his wife, Brawler, appears at the wedding ceremony, drives him away and makes him the laughing stock of Abalabi town.

Pauper, Brawler and Slanderer is clearly Tutuola's story in style, vocabulary and syntax. It takes place two thousand years ago in what is today Ogun State and is grounded in Yoruba ideas about fate and destiny. The three main characters, despite

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their royal backgrounds, have fates which displease their fathers and lead to their expulsion from their town of Laketu. They are destined to be immortal and roam about invisibly on earth forever. Pauper the Father of Wretchedness is always dressed in rags and ultimately fails at everything he tries, yet until the end of the story he is unwilling to admit that it is his destiny to fail. Brawler is "as beautiful as a peacock" but "brawling was her second language" which bothered everyone night and day and "rendered her useless entirely" (pp. 9-10). Pauper and Brawler agree to endure each other's abnormalities as husband and wife. Pauper befriends and for a long time trusts Slanderer who is a "very powerful and merciless raider, an outlaw, an outrage, a traitor, a slanderer, a transgressor, a tricker, a criminal, a cunning person, a tale-bearer, a cheater, a burglar, a truant, a wild fellow, a great confusionist, etc." (p.18).

Slanderer is the most thoroughly described and "terrible" character in the book. He is Pauper's primary adversary, but he is pale, indeed, compared to the monsters that populate Tutuola's other book-length stories. There are no typical Tutolan monsters.

In **Pauper, Brawler and Slanderer,** Pauper is the only character who might be considered a hero, since he tries hard to earn a living and means well despite his repeated failures. His greatest foe is Death, who is not particularly terrible in appearance. When he fights Death because Brawler asked God to have him killed, the struggle is short compared with that of other Tutuolan heroes with their adversaries. Pauper both defeats and humiliates Death. Brawler is a nuisance to Pauper and everyone else with her constant brawling. But that is all we know about her. Repeatedly we are told that she brawls, but rarely what she brawls about and never specifically what she says. When things are really bad she utters brawls that are "as hot as boiling water which was still on fire" (p. 47), but that is the extent of the description.

In contrast to Tutuola's other stories, in **Pauper, Brawler and Slanderer** we know the fate of the three main characters at the beginning, as well as the broad outlines of the story, since this is foretold by the Babalawo at the characters' births. When the three characters meet the Judge of the Creator at the end of the story, he simply confirms what the Babalawo has foretold, that "they had been changed to immortals", were "still roaming about invisibly on earth" and "continue to trouble the people" (p.156). Tutuola's story is an etiological tale about why poverty, wretchedness and brawls are found together, why slander is associated with confusion, and why joy and happiness are never associated with poverty, brawls, fights, scuffles, confusion and wars. It also has clear relevance for contemporary life in Nigeria.

Many Yoruba proverbs are included, usually prefaced by a statement that they are proverbs. Counting is infrequent here compared to Tutuola's other stories. Occasionally things are said to be "uncountable", crowds are sometimes measured in the thousands, but specific distances, calendar and clock time are rarely referred to as they are in his other stories. In an author's note Tutuola explains the meaning of Yoruba expressions of shock such as "Ha! Ho! He!" and "Huuu! Hooo! Heee!", but these expressions rarely appear in the story. Ideophones are relatively infrequent and dialogue is not extensive. One of the over-worked words in this story is "Okay", which is symptomatic of the general blandness of this story compared to Tutuola's other stories.

Have Tutuola's storytelling powers become a shadow of their former self, is Tutuola publishing a story that he wrote earlier in his career, has Tutuola's publisher pressured him to be more conventional, or is there some other explanation for the differences between **Pauper, Brawler and Slanderer** and Tutuola's other stories? Only future research and interviews with Tutuola can provide answers to these questions.

Religion and Politics among Nigeria's Yoruba

Aaron Segal

David D. Laitin, **HEGEMONY AND CULTURE: Politics and Religious Change among the Yoruba** (Chicago, London: University of Chicago Press, 1986) pp. 252, $30 hardback; $13.95 paperback.

Why don't the Yorubas of Nigeria divide politically along religious lines, given that Christians are much better educated and prosperous than Muslims? It is worth the price of admission to read David Laitin's description of his field research in an attempt to answer this question. He regularly attended in Ile-Ife the Anglican Church on Sundays and the central Mosque on Fridays, making friends with and interviewing elders in both communities while carefully explaining his own lack of religious beliefs. All those sermons—all those alms collections—all those prayers. This is participant observer fieldwork with a vengeance.

The conclusion is that Yorubas persistently divide politically over their loyalties to ancestral cities of origin rather than religion, social class, or other cleavages. These basic loyalties are defined as "hegemonic" as the author smites some bad social science theory. It is futher demonstrated that being a Christian or a Muslim is a matter of significance for many Yorubas rather than a trivial pursuit. Unfortunately not enough information is offered on how Christians and Muslims interact with respect to intermarriage, residence, business and other matters to fully explain why they do not organize politically along religious lines. Instead the emphasis is on the effects of British colonial indirect rule in reviving the defunct powers of city rulers, thus enabling political elites to build new hegemonic cultural loyalties that have persisted into independent Nigeria.

This is an important and valuable book at several levels. It is a fascinating empirical and historical study of religion among the Yoruba. It offers a methodology for doing research on politics and culture and an explanatory model for the evolution of political identities and supporting cultural subsystems. It explains cogently why the Yoruba do not fight over religion, refutes rational choice and social systems theories which cannot explain this behavior, and presents a testable model for studying political change and continuity. It's a shame that such a good book has been larded with so much jargon.

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A First Rate New Introductory Text on African Politics

Victor T. Le Vine

Richard Hodder-Williams, **AN INTRODUCTION TO THE POLITICS OF TROPICAL AFRICA.** (Winchester, Mass.: Allen & Unwin, 1984.) p. xv, 252. Index, appendices, cloth $25.00, paper $10.50.

The author, a don at Bristol University, joint editor of **African Affairs,** and an involved observer of African politics since 1961, offers a highly readable, jargon-free, and eminently commonsensical survey of politics in the independant countries of Africa between the Sahara and South Africa. I give Hodder-Williams, himself an academic, considerable credit for refusing to force his study onto the procrustean bed of any of the more fashionable analytic approaches to the study of African politics; he is appropriately respectful of the continent's extraordinary variety and thus takes what he calls an "unashamedly eclectic" view of his subject. He recognizes what merit there is in many of the various academic perspectives, uses what he considers relevant in the academic literature, and thus arrives at what is undoubtedly one of the fairest, most even-handed general discussions of African politics in print.

The book itself is organized thematically. The first three chapters cover the imperial/colonial heritage and the transitions to independence. Chapter four ("The Political Environment") considers the problem of the distribution or (more usually) maldistributions of economic/social and political resources in the African states, and also the responses thereto (the "extractive" view of politics, tribalism, corruption); Chapter five considers the search of appropriate (state) structures; Chapter six deals with state/government - people relationships ("The View from Below"); and Chapter seven looks at the African states and the external world. Having used this sort of thematic organization in my own African politics courses, I found it not only congenial (I admit to a bias toward people who agree with me), but I'm sure it will be quite helpful to my students.

The book is most likely to be useful for an introductory course on African politics; it is not a book for specialists (though the author's perspective is quite refreshing), or for graduate courses. Readers should also be told that Hodder-Williams wrote primarily for English audiences, thus there are to be found here and there English locutions that may puzzle American readers ("cock a snook," etc.), and references to English experiences whose meaning might evade Americans. All these, howoever, do not in any way detract from the value of the book, and I heartily commend it to both general readers and my academic colleagues. Of the current crop of general surveys of African politics, only Dennis Austin's **Politics in Africa** (1984, now in its second edition) is a close competitor.

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Political Thought and Practice in Africa

Smart A. Ekpo

William Tordoff, **GOVERNMENT AND POLITICS IN AFRICA,** (Bloomington, Indiana University Press, 1984), $10.95 (paperback).

Government and Politics in Africa deals with the background of historical changes from colonialism to independence, and the basic ideas of communalism, nationalism, socialism, capitalism and Marxism. Professor Tordoff has provided us with a useful new text on African politics. Tordoff's incisive discussions examine the newness of the African states, their shared colonial experience, the problems of sub-nationalism and their search for identity as nation-states.

The author's arresting analyses of the theories of modernization and underdevelopment are important and informative. The three dimensions of modernization—economic, social and political—are skillfully discussed. The writer quotes from Claude Welch: "Modernization is a process, based upon the rational utilization of resources and aimed at the establishment of a 'modern' society." (p. 16).

Succinct discussions are devoted to the assessment of African nationalism and the transfer of power to the African nationalists. African nationalism is deeply rooted in colonialism and imperialism. The definition and characteristics of African nationalism are vividly portrayed. Tordoff concludes: "African nationalism was therefore composed of a number of different elements, representing sometimes interlocking, but often divergent economic interests which united temporarily in an anti-colonial 'struggle'" (p. 53).

Communal challenge, disaffection of ethnic minorities, secessionist movements, and the role of traditional institutions are among the pressing problems confronting modern African leadership. The author notes the unsettling effects of communalism and regards it as a prime determinant of political behavior, and the main obstacle to the attainment of national integration. He analyzes the class formation in colonial Africa and contends that colonialism did generate uneven class structure, an unevenness predicated upon the level of industrialization and urbanization as well as the spread of education.

The role of the peasants and their exploitation by the urban elites are assessed. The peasantry does not constitute a "class" on its own; it is divided by tribal, clan, and village loyalties. Above all, it is wanting in revolutionary consciousness. The importance of agriculture as the main-stay of African economy is appraised. The writer concludes: "... there is no escaping the fact that the first priority of planning in African states, with their predominantly rural populations must therefore be to provide a sound agricultural base" (p. 150).

The selections dealing with the discussion of African ideologies are the most stimulating and interesting sections of the book. Ideologically, African states are grouped into three broad categories. First are the Afro-Marxist regimes whose leaders are Angola, Mozambique and Ethiopia. These states have openly adopted the Marxist-Leninist theory although they have departed from the rigid dogmatism of the Marxists. Ethiopia is singled out as Africa's first major revolutionary state. Second, the African Populist-Socialists include Tanzania and Algeria; the latter is the leading populist-

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socialist state with its emphasis on egalitarianism, public ownership and control, hard work and self-reliance. Third, Nigeria, Ivory Coast and Kenya exemplify the key capitalist states. They favour the retention of capitalism with its incipient or "marginal" bourgeoisie. The author emphasizes the significance of ideology and maintains that it determines the development strategy adopted by a particular state.

Finally, the problems of centralization and decentralization of power and popular participation in politics are discussed. The author concludes: "... in the post-independence period, African governments have placed much more emphasis on political control than on political participation . . . the general trend has been a shrinking of the political arena and a subsequent reduction in the levels of popular participation" (pp. 282-284).

This is a well-written, stimulating and arresting book. Tordoff's treatments of the revolutionary regimes bring to the fore the contending forces of nationalism and the implication of ideology for the present and future of Africa. His seasoned analysis is absorbing, enlightening, entertaining and interesting.

Small Scale Peasants and Agricultural Development in Tropical Africa

Mark Anikpo

Seth La-Anyane, **ECONOMICS OF AGRICULTURAL DEVELOPMENT IN TROPICAL AFRICA** (Chester: John Wiley and Sons, 1985) pp. xv + 153, $24.95 hardback.

A critical reader of La-Anyane's recent **Economics of Agricultural Development in Tropical Africa** will be struck by the obvious focus on modernization as its underlying theoretical paradigm. The book is however mainly a general discourse on the theories, problems, institutional agencies and development prospects surrounding agriculture in tropical Africa. As this is primarily a student text, the author does not raise any controversies by defending any particular theoretical viewpoint. It is more of a general review of contemporary issues on agricultural development.

From the opening chapter, La-Anyane identifies the basic features of African agriculture with special emphasis on the obstacles to meaningful agricultural development imposed by drought, desertification, semi-aridity and the predominance of small-scale peasant cultivators in African agricultural production. He also discusses some of the theoretical assumptions that have guided agricultural practice in tropical Africa. He identifies specifically the colonial context within which the dual economy and underdevelopment theories emerged. La-Anyane's intellectual roots in classical economics surfaces in various sections of the book. He believes, for instance, that "Rostow's stages analysis is the best known of a series of development approaches based on historical events. Certain preconditions have to be fulfilled before the underdeveloped economy can be propelled into taking off into 'the age of high mass consumption' when the economy becomes developed" (pp. 14-15). Such a view in a book that makes no single reference to Marx is hardly surprising. It however casts doubt on the author's understanding of the practical problems of Africa's contemporary political economy, despite his inclusion of metropolitan capital and imperialism as factors in agricultural stagnation in the region.

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The author's suggestion in Chapter 2 on the size and organization of peasant farms also constitutes a very significant aspect of the book, at least from the point of view of concrete suggestions on increasing agricultural yields. While one would agree with La-Anyane that "the transformation of the traditional peasant subsector will not be achieved simply by the increase in the size of small holdings" (p. 44), one would hesitate to accept his follow-up suggestion that "modernization of peasant agriculture will call for a package of measures which will facilitate, in the creation of large farm sizes, the adoption of modern appropriate technology and better management and husbandry practices" (*ibid.*). The remaining sections of this chapter which review land reform policies in Ethiopia and Tanzania, and the relationship between agriculture and industry, contain radical insights which appear incompatible with the author's general modernization approach.

In the remaining three chapters of the book, La-Anyane surveys the economics of selected countries in tropical Africa (Chad, Mauritania, Upper Volta [now Burkina Faso], Senegal, Gambia, Cameroon, Nigeria, Gabon, Central African Republic, Zaire, Zambia, Kenya and Zimbabwe) in terms of their GDP and rates of economic growth. The empirical data provided by the author, although some of the statistics may have altered by now, are very impressive and without doubt a rich store of information for students in a variety of disciplines. The sections on trade (p. 78), planning and administration (p. 82), and on rural development (p. 88) offer comprehensive information on the political economy of African agriculture. Useful also is chapter 4, which examines the need for a New International Economic Order (NIEO) and for political will on the part of developing economies, especially the new subregional integration groupings such as the Southern Africa Development Coordination Conference (SADCC). The details provided in these later sections of the book recommend it strongly to a wider audience than the students of agricultural economics, agriculture and economic geography whom the author seems to be addressing throughout the text.

To some extent also, the book belongs to the genre of optimistic literature on the prospects of development in Africa. He appropriately maintains that "underdevelopment is not inevitable in tropical Africa. The Region has an immense reservoir of human and natural resources. Much of it is rich in mineral resources, some of which have yet to be discovered and released for national development. . . ." (p. 131). There is a lot of room for agricultural development. In this direction, the emphasis must be placed on the provision of adequate supplies of food of acceptable quality. Moreoever, "the burden of this task falls on the shoulders of the large number of small peasant producers who cultivate and raise the bulk of the region's crops and livestock." (p. 128). Critics will obviously agree with this observation, but they may have to ask — how? They may not find a satisfying answer in La-Anyane's book.

The Process of Underdevelpment and the Swazi Nation: Hope for the Future?

David S. Cownie

Alan R. Booth, **SWAZILAND: Tradition and Change in a Southern African Kingdom.** (Boulder, Colorado, Westview Press, 1984), pp. xi + 156; $18.00 (Profiles: Nations of Contemporary Africa Series [Larry W. Bowman, series editor]).

The recent trade agreement between Swaziland and South Africa highlights the difficult decisions faced by Swazi authorities. This most recent agreement follows the news of a secret security pact between the two countries signed in 1982, similar to the Nkomati Accords between Mozambique and South Africa, and a crackdown on ANC personnel in Swaziland. Internally, the death of King Sobhuza II in 1982 has led to a fluid period of succession, made all the more difficult by pressures from emerging social classes who derive their power from bases other than the royal house. Added to these problems are those of a high level of foreign control over the economy, serious manpower problems, severe land shortages, and an increasingly belligerent South Africa. All these factors serve to heighten Swaziland's developmental problems. Yet although these problems might be considered overwhelming to an outside observer, and while the country's attempted solutions to their problems might not seem appropriate, it is important to understand the nature of the constraints operating on this small, dependent nation-state.

In attempting to promote such an understanding, Alan Booth has offered the reader a non-polemic, critical, and persuasive discussion of the evolution of Swaziland's political economy over the past two hundred years. Using a curious blend of underdevelopment theory supported periodically by elements from modernization theory, the author develops four basic themes: pragmatic traditionalism, economic dependence, vulnerability, and social transition.

Booth traces the efforts of the monarchy, particularly King Sobhuza II, to maintain Swazi autonomy and to resist outside threats through the creation of various alliances. In this respect the discussion centers on three areas: the granting of land concessions to accommodate European settler interests, the evolution of British 'protection' as a defense against Boer encroachment, and finally the massive penetration of foreign capitalist interest, especially after independence. He explores how these factors led to the creation of an economy dependent on labor migration to European-owned lands in Swaziland and to the mines and fields of South Africa. The result has been the peripheralization of the Swaziland economy, in much the same way as happened in both Botswana and Lesotho. All three economies were structured to meet the needs of capitalist interests in South Africa through the creation of a large semi-protelariat with a rural base. This migrant labor force was ensured through land alienation and taxation in all three countries, resulting in households no longer able to sustain themselves through subsistence production; all three nations as a whole have

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moved from self-sufficiency in food crop production to chronic food importation.

Throughout the period in which these changes were taking place, the monarchy successfully maintained and even expanded its authority over Swazi society. Threats to the expanding monarchy, such as the working class-backed political party, the Ngwane National Liberatory Congress, were dealt with harshly. In the most severe action taken by the royalists against its political rivals, Sobhuza II (on April 12, 1983) suspended the constitution, dismissed Parliament, and banned all political parties following the winning of three Parliamentary seats by the NNLC in the 1972 election. In the economic realm, the monarchy has expanded its control through a curious parastatal known as the Tibiyo Taka Ngwane Fund, which is controlled by the monarchy in trust for the nation. Revenues are obtained generally from mineral development, although its interests also range to the national airline, banking, and even to the newspaper *Swazi Observer*. It is through the Tibiyo Taka Ngwane Fund that the monarchy has developed extensive links with foreign capitalist interests. The result has been the emergence of a pervasive presence of multinational corporations in Swaziland, with the distribution of local benefits questionable; the Fund's accounts are not publicly accessable.

With regard to international relations, a number of efforts have recently been undertaken to develop links outside the confines of the South African economy. This includes membership in the Southern African Development Coordination Conference (SADCC), a regional grouping of nine majority-ruled nation-states in southern Africa, the solicitation of aid and investment from a variety of sources, and increasing ties with neighboring Mozambique.

In his discussion of both internal political and economic developments, as well as the discussion of international relations, good use is made of both dependency theory and modernization theory. The nature of the constraints operating on Swazi society are lucidly detailed, applying dependency theory as a framework for the discussion. For example, the nature of colonial and neo-colonial ties which force Swaziland to remain primarily tied to the South African regional economy are dealt with in detail through the use of dependency theory. Yet modernization theory's public choice analysis is effectively used in an assessment of Swaziland's efforts to expand their capacity for choice. For example, Swaziland has determined that the SADCC can aid in its development, and has thus chosen to join the group.

In sum, while Booth does discuss the constraints suffered by the Swazi government, he generally focuses on the room for maneuver the government has to alter its conditions of dependency. As such, he has provided us with an excellent introduction to a country which, although in itself important, is also important in pointing to the nature and extent of constraints placed upon peripheral societies, and what might be done to expand the capacity for choice. At the same time, he also breaks down modernization theory's perception of 'tradition' as a static entity, instead combining the notions of adaptive traditionalism and dependent development. In this respect it parallels Jack Parson's excellent work on Botswana, **Botswana: Liberal Democracy and the Labor Reserve in Southern Africa,** also part of the Westview series, and as such highlights the quality of the series itself.

European Response to African Diseases

Thomas R. De Gregori

Dennis G. Carlson, **AFRICAN FEVER: A Study of British Science, Technology and Politics in West Africa, 1787-1864** (Canton, Massachusetts: Science History Publications, a division of Watson Publishing International, 1984) pp. 108, $15.95 hardcover.

Europe would probably have been called the "Black Man's Grave" had Africans sailed there during periods such as the Black Plague. The agricultural and industrial revolution brought improved and regularized food supply, better housing, clothing, and public health. The scientific revolution brought factors such as improved statistics, epidemiological studies, and advances in chemistry, biology, and eventually medicine. The declining death rates in Europe contrasted even more sharply with those of places such as West Africa, which became the White Man's Grave for those Europeans who ventured there.

Disease and death do have their ethnocentric dimensions. Diseases become important when they infect one's own group, particularly when that group is politically, economically, and militarily dominant. If the European mission of increased trade, religious conversion, and expansion of political control were to be achieved, then the African fevers had to be tamed so that the white man's presence could be sustained. **African Fever** is a small, tightly-focused study of the way in which British science and technology addressed the white man's disease problem in Africa. The book draws heavily upon Philip Curtin's earlier work on the subject. A medical historian, Dennis Carlson, also draws from the understanding he has gained in medical practice and teaching in Africa.

Carlson looks at some of the explorations of the late 18th and early 19th centuries in West Africa and what was learned from them about African diseases. Treatments for the diseases arose from the medical theory and practice of England and Europe. Carlson shows us how effective treatments were developed, and how death rates began to fall, because of experimentation and observation. Carlson is particularly adept in describing the medical practices such as bleeding and the use of mercury and the evolution of the use of chinchona bark, and later quinine in the treatment of malaria. Successful treatments falsified old theories of medicine and gave rise to what Carlson called a new paradigm.

Carlson's work is much shorter than Curtin's studies and in some respects somewhat less satisfactory in specific areas such as the relationship between understanding respiration, chemisty, quantitative medicine, and African epidemiology. This does not detract from the fact that what Carlson does, he does extremely well and makes an important contribution. He also writes well. The chapter titles catch the flavor of the book and the way in which scholarly technical material is presented in an interesting manner. They are: Lures and Danger; Marches and Miasms; Theoretical Chaos; Bleeding, Mercury, and Tonics; Changing Analysis; Toward a New Paradigm; and Quinine and Imperialism.

In the foreword, Carl E. Taylor notes that African Fever "cannot be relegated entirely to history." There are still "the rural and peri-urban populations who are submerged in a sea of disease." Research in tropical medicine remains grossly underfunded, as is research in most problems of the tropics. Now that research has shown that AIDS originated in Africa, we once again see that diseases become significant when they invade the affluent countries. **African Fever** is fun to read and important in understanding European and North American relations to Africa, past and present.

Medical Anthropology of Africa — Quo Vadis?

Simon D. Messing

Z.A. Ademuwagun, John A.A. Ayoade, Ira A. Harrison, Dennis M. Warren (editors), **AFRICAN THERAPEUTIC SYSTEMS** (Waltham, MA: Crossroads Press — African Studies Association, 1979) pp, 273, hardcover $35.00.

Stanley P. Yoder (editor), **AFRICAN HEALTH AND HEALING SYSTEMS: Proceedings of a Symposium** (Los Angeles, CA: Crossroads Press — African Studies Association, 1982) pp. 252, hardcover $30.00.

The problems faced by medical anthropology of Africa have both practical and theoretical dimensions. Ademuwagun (Univ. of Ibadan) *et al.* have collected 42 articles that address themselves primarily to the former; while Yoder has gathered 10 articles that attempt to confront the latter.

Indigenous African healing systems have not disappeared, but have often even gathered force in the past few decades, so that their existence must be formally recognized by African policy makers. Faced with the need to improve health conditions on tight budgets, they will have to consider what medical anthropologists have long argued: how can indigenous healers be utilized in national health delivery programs? The reader of Ademuwagun *et al.* will have to summarize his or her own conclusion, for the editors do not define it. Thus, Pascal James Imperato, the physician and Commissioner of Health of New York City, who is a specialist in preventive medicine and tropical diseases, views "traditional healing" as anything "traditional Africans" do, regardless of how "prescientific" it appears. By contrast, other contributors define traditional medicine as "rational."

In the foreword to Yoder's collection, Lofchie begins by deploring the fact that vast numbers of gigantic public health projects in Africa are engineered with no provision for the incorporation of local knowledge in the treatment of local illnesses, despite the fact that the "wholistic medicine" of Africa, with its emphasis on treating the family as well as the ill person, and its encyclopedic lore of information about the curative properties of items available in nature, has much to contribute to Western medicine. This two-pronged complaint has been standard in medical an-

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thropology. Yoder attempts to proceed from this ethnographic work to seek out schemes, among the contributors, that could be built into theoretical structures for the profession. Thus, Gilles Bibeau designs a systems approach for a case of Niger-Congo medicine in the image of a traffic circle, based on a semantic circular network; Young designs types of client-practitioner relations in the Amhara medical system. Reid (Tanzania) and Kramer & Thomas (Kenya) point out that clients have concluded that both modern and traditional health practitioners are needed for complete health care.

The latter realization is perhaps the ultimate conclusion of both volumes. Africans often patronize both Western and indigenous medical systems, simultaneously or in sequence. Perhaps the next logical step in medical anthropology should be to involve economics to a greater extent. Large and growing populations of very poor people in Africa will have little choice but to utilize traditional healers and methods for a long time. Medical anthropologists of Africa sho... concentrate efforts on promoting pragmatic interdigitation of these with m... medical procedures, analogous to the ways acupuncture is syncretized ... Western medicine in China.

Meanwhile these collections of articles can serve as representative sam... recent work done in medical anthropology of Africa, and as a reference ... use is facilitated by a comprehensive index at the end of the Adem... tion, unusual in an edited volume.

Publications

1. The *Radioactive Waste Campaign's* publication *RWC WASTE PAPER* has an important article in their Winter 1987-1988 issue regarding a major loophole in recent anti-apartheid legislation that allows the importation of South African uranium. Most of the uranium is mined in Namibia, so it's doubly important to be aware of this problem. The paper addresses toxic and radioactive waste problems in the U.S. primarily, with certain articles pertaining to Africa and the developing world appearing occasionally. To subscribe write: Radioactive Waste Campaign, 625 Broadway, Second Floor, New York, NY 10012.

2. The *Communications Workers of America* (CWA) is making available for reprint an article by Richard Leonard entitled "IBM: Still Computing Apartheid" that presents evidence that IBM has not fully pulled out of South Africa. The article is complete and informative; ...ples are free. Write: CWA, Public Affairs Department, 1925 K Street N.W., Washington, 20006.

... organization, *Defense for Children International-USA* (DCI-USA), has released ... the treatment of black children in South Africa. In shocking detail it confirms ...ts that many South African blacks are being deliberately starved by the South ...ment, with children's suffering especially acute. The report details how children ...utinely arrested and detained. Most shocking are the details about systematic ...n while being detained. Also published by DCI-USA is their book ...ER APARTHEID: *A Report on Conditions Facing Children in South* ...marizes earlier reports of the effect of apartheid on children by UNICEF, including an exhaustive bibliography and abstracts from the DCI-...mmarizes press reports on South Africa from 1984 to the pre-...lustrations, is available from DCI-USA for $12.50. Write: DCI-...klyn, NY 11215, or call (718) 965-0245.

...Center (SAMC) has released its 1987-1988 catalog featuring ...can life and the struggle against apartheid. Included are ...w... ...e hour PBS special) and new titles like "Witness ...ccount of the daily terror of South Africa that is nar-...nd "Bound to Strike Back" which introduces some ...ment. All titles are available on film or video and ...95 or can be rented for $60; films are sold for ... customers to purchase six videos for $595. ..."Against Apartheid" action/resource guide, ..."Witness to Apartheid" comes with a tea... ...ng, a firm basis to teach others about apar... ...he SAMC continually offers the best w... ...ging the situation in South Africa tr... ...ned by writing: SAMC, Califor- n... ...or by calling (415) 621-6196.

5. ... ...thly papers on many sub-jects ... ...tinues to be one of the bee... ...ment and cutting of

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economic ties to South Africa. They will gladly provide your group with all it needs to get started; or will send their monthly papers to interested Africanists. For subscription information write: ACOA, 198 Broadway, New York, NY 10038 or call (212) 962-1210.

6. The *International Defense and Aid Fund* (IDAF) for Southern Africa works with victims of apartheid, providing legal and financial assistance to persons that are imprisoned or on trial in South Africa and their families. The fund also provides authoritative, comprehensive, and well-documented information on South Africa, which is renowned for its accuracy. For a list of publications, or for more information on how you can help, write: IDAF, Canon Collins House, 64 Essex Road, London N1 8LR, England, or the U.S. IDAF Committee, P.O. Box 17, Cambridge, MA 02138.

7. The *Clearinghouse on Development Communications* has a quarterly publication entitled *THE DEVELOPMENT COMMUNICATION REPORT* (DCR). DCR reports on telecommunication developments in the developing world. The most recent issue has reports on African telecommunication toward the year 2000, an extensive article on AIDS and how communication efforts are helping to halt its spread, and an article by Karen Tiejen, the Project Director of the Rural Satellite Project on its efforts to introduce teleconferencing to various developing nations. The information presented is aimed at a specialized audience, but there are always a few articles that will appeal to any Africanist. Subscription rates are $10.00/year for industrialized nations, and free for developing nations. Write: The Clearinghouse on Development Communication, 1255 23rd Street N.W., Washington, DC 20037, or call (202) 862-1900.

8. The *Academy for Educational Development* (AED) has publications about the *Rural Satellite Program* (RSP), a project of the U.S. Agency for International Development (AID), which is exploring the use of satellite technology, rural telephone service, and audioconferencing networks to help develop rural and remote areas. Three major demonstration projects were undertaken in Indonesia, Peru and the West Indies. Out of these projects and others in progress comes a list of publications from the RSP, including an evaluation of each of the three demonstration projects, an audioconferencing guide, a videotape about the Rural Satellite Program (which can be rented), and much more. Although none of the publications deal expressly with Africa, some of them may be worth a perusal, as Africa is experiencing many of the same problems as the above areas. For a list of available publications write: AED, Rural Satellite Program, 1255 23rd Street, N.W., Washington, DC 20037.

9. We have recently received from the University of Coimbra in Portugal a sample copy of the sixth publication in the series "Publicaçoes do Centro de Estudos Africanos" (ISSN # 0870-1660) entitled *MOÇAMBIQUE: Aspectos do Cultura Material,* 86 pages plus illustrations. The center is part of the Instituto de Anthropologia, largely drawn from the field of anthropology. No information on cost accompanied the sample. The first three titles in the series drew upon material from Angola. Numbers 4 and 5, on "Symboles Divinatiores" and "Anthropologie et Epistomologia," carry no geographical reference in the title. For more information write: Centro do Estudoe Africanos, Instituto de Anthropologia, Universidade do Coimbra, 3000 Coimbra, Portugal.

10. *The Center for Ethiopian Studies* has published a monograph entitled *RESETTLED REFUGEES AND ASYLUM APPLICANTS: Implications of the Case of Migrants from Ethiopia for United States Policy*. Written by Peter Koehn and Germa Negash, the monograph examines and compares the resettled (official) refugees residing in Washington, D.C. with those exiles who have sought political asylum. The authors provide a brief overview of the exodus (5-7% of Ethiopians have sought refuge outside their country) and a

historical and demographic overview of the migration of people to the U.S. The authors study the reasons for leaving and for not going back, and, in their conclusion, make recommendations for change in the U.S. immigration and refugee policy. The Center has also published the monograph *SOME NOTES ON THE HISTORY OF ETHIOPIA: A reexamination of Documents*, by Getachen Haile. The price for *RESETTLED REFUGEES* is $6.00 plus $1.50 postage and handling. Make checks payable to the Ethiopian Community Development Council, Inc. Write Center for Ethiopian Studies, 5213 Columbia Pike, Suite 101, Arlington, Va 22204.

11. New Releases in the *United Nations Centre Against Apartheid* NOTES AND DOCUMENTS SERIES are: #7/87, "Register of Sports Contacts with South Africa 1 July - 31 December 1986 and Consolidated List of Sportsmen and Sportswomen Who Participated in Sports Events in South Africa 1 September 1980 to 31 December 1986"; #8/87 "Women and Children: Repression and Resistance to Apartheid in South Africa" by Paulette Pierson-Mathy; #9/87 "People's Sanctions Now" by Stanley Clinton Davis; #10/87 "The Importance of a Joint Coal Boycott by the European Community" by the Association of West European Parliamentarians for Action Against Apartheid; and a special issue "Sanctions Against South Africa: A Selective Biography, 1981-1986," compiled by the Dag Hammarskjold Library. To obtain these papers, or for a list of available publications, write: UN Centre Against Apartheid, United Nations, NY, NY 10017.

12. The United Mine Workers of America (UMWA) have released a presentation (both in video and on slides and cassette) entitled "Stop Apartheid, Boycott Shell." It provides details on the role the Royal Dutch Shell Company plays in propping up the government of South Africa. Purchase price, in either format, is $100.00, rental is $50.00. To order write: Boycott Shell UMWA, 900 15th St. N.W., Washington, DC 20005, or call (202) 842-7200.

13. The Africa Fund has produced a video entitled "Mozambique: Killing a Dream," which shows atrocities committed by the South African-backed Mozambique National Resistance (MNR) in their effort to destabilize Mozambique's economy. Purchase price is $225.00, rental is $45.00. To order write: Icarus Films, 200 Park Avenue South, Suite 1319, New York, NY 10003, or call (212) 674-3375.

14. NARMIC has released a video entitled "South Africa Unedited," a compilation of footage shot clandestinely during South Africa's 1986 State of Emergency and press blackout. Purchase price is $65.00, rental is $25.00/week. To order write: NARMIC, American Friends Service Committee, 1501 Cherry, Philadelphia, PA 19102. The phone number is (215) 241-7175.

15. The Denver, Colorado office of the American Friends Service Committee is establishing a library of Southern African films, which includes the titles mentioned above, as well as a number of older, popular titles (including "Witness to Apartheid"). These are available at very reasonable rentals for use within the Midwest region of the AFSC. For a full catalog, write: AFSC, Colorado Area Program, 1660 Lafayette Street, Denver, CO 80218.

Coming Events

The 1987 ANNUAL MEETING OF THE AFRICAN STUDIES ASSOCIATION will convene at the Radisson Hotel, Denver, Colorado, November 19-23, 1987. The Meeting will be hosted by the University of Denver. The Program Chair for the 30th Annual Meeting is George W. Shepherd, Jr. of the University of Denver Graduate School of International Studies. Papers and panels will focus on all aspects of African Studies and from every discipline in the arts, humanities and social sciences. Pre-registration fees are as follows: Regular Members-$25.00; Student/Retired/Unemployed Members-$12.50; Non-member Professionals-$30.00; Student/Retired/Unemployed Non-Members-$15.00. On site registration fees will be significantly higher. Send advance registrations to: 1987 Annual Meeting, African Studies Association, 255 Kinsey Hall, UCLA, Los Angeles, CA 90024. Program inquiries should be directed to: George W. Shepherd, Jr., 1987 Program Chairman, GSIS, University of Denver, Denver, CO 80208, USA. Tel. (303) 871-2551.

The *Association for the Advancement of Policy Research and Development in the Third World* will hold a conference on INTERNATIONAL DEVELOPMENT, COOPERATION AND POLITICS on November 19-21, 1987 in Bermuda. For inquiries about the conference write: Professor Shah Mehrabi, Dept. of Economics, Mary Washington College, 1301 College Avenue, Fredericksburg, VA 22407 or call (703) 899-4092/4715.

The MISSOURI VALLEY HISTORY CONFERENCE is being held in Omaha, Nebraska on March 10-12, 1988. Paper and panel proposals are being accepted through November 15, 1987 and are open to all fields of history and interdisciplinary and methodological studies. For more information write: Prof. Michael L. Tate, Program Coordinator, 1988 MVHC, Dept. of History, University of Nebraska at Omaha, Omaha, NE 68182 USA. People wishing to participate as moderators and commentators are also encouraged to write.

The *Washington Office on Africa* is holding its Second Annual MARTIN LUTHER KING, JR. SYMPOSIUM ON SOUTHERN AFRICA on April 7-9, 1988 in Washington, D.C. Information on the discussion topics, panels and registration will be available this summer. Those interested in participating should write to: Washington Office on Africa Educational Fund, Suite 112, 110 Maryland Ave., NE, Washington, DC 20002.

The Sudan Studies Association announces a Conference on "Sudan Studies: Past, Present, and Future" to be held at the University of Khartoum on January 5-7, 1988. The Conference is jointly organized and sponsored by the Institute of African and Asian Studies and the Faculty of Arts of the University of Khartoum, in collaboration with the Sudan Studies Association of America. Papers may be focussed either by country or discipline, and should relate to the social sciences, arts and humanities, and environmental issues. Papers are also invited on such topics as famine, drought and rehabilitation, refugees, ethnic relations, conflict and conflict resolution, national integration, and rural and regional development. Proposals and abstracts for presentation requests for enrollment forms, for travel and accomodation information should be sent to: Dr. Constance Berkley, SSA Secretary, Box 316, Vassar College, Poughkeepsie, NY 12601.

Announcements

The Smithsonian's National Museum of African Art is moving from its Capitol Hill location to spacious new quarters in Washington D.C.'s National Mall. The new facilities are scheduled to open on September 28, 1987. The Museum is the only one in the United States devoted exclusively to the collection, study, and exhibition of the art of sub-Saharan Africa. Inaugural exhibitions include the installation of the Permanent Collection, with 100 collection highlights; a temporary exhibit "African Art in the Cycle of Life," which is a major international collection of 88 works; "Objects of Use," a collection of utilitarian objects; "Patterns of Life: West African Strip-Weaving Traditions," focusing on various African textiles; and an exhibition of Benin metal sculpture entitled "Royal Benin Art in the Collection of the National Museum of African Art" which completes the inaugural exhibition schedule. Of special interest to **Africa Today** readers are the museum's research facilities. The museum library, a branch of the Smithsonian Institution Libraries, currently holds 13,000 volumes and periodicals on African art, history, culture and related topics. The Eliot Elison Photographic Archives, named for the famous *Life* magazine photographer, houses 150,000 color slides, 70,000 black and white photographs, 50 feature films, and much more, illuminating many aspects of African traditions, culture, art and history. Both are open to the public and scholars by appointment during the week. The Museum is open from 10am to 5:30pm every day except Christmas; admission is free. Information regarding current exhibitions, tours, lectures and special events may be obtained by calling (202) 357-4600, weekdays 9am to 5pm, or (202) 357-2700 on weekends. A recorded message providing information on hours, admission, travel instructions, and exhibitions may be heard by calling (202) 357-2020. Hearing impaired persons may call TDD (202) 357-1729. For additional information, call Margaret Bertin, Public Affairs Officer, National Museum of African Art at (202) 357-4600 or write: The National Museum of African Art, 950 Independence Avenue S.W., Washington D.C. 20560.

The University of Louisville is offering the 1988 Grawemeyer Award for Ideas Improving World Order. The purpose of the $150,000 Award is to "stimulate the dissemination and critical analysis of outstanding proposals for the improvement of relations between nations." The Award will be given in five annual installments to "encourage the recipient's continued creativity." Submissions for the award (which will be given out in the Spring of 1988) can address a wide range of international concerns such as foreign policy, intercultural relations, international law, international trade and investment, international development, etc. The sponsors stress that in addition to originality, judges may consider the feasibility and potential impact of the submission. Nomination forms, entry forms, and further information can be obtained by writing: University of Louisville, Grawemeyer Award for Ideas Improving World Order, Dept. of Political Science, Louisville, KY 40292. Any person or group, anywhere in the world, with a valid submission, may apply.

Books Received

Books marked with an asterisk (*) have been sent to reviewers. Others may be requested by qualified reviewers.

Political Science

*AFRICA: *Problems in the Transition to Socialism*. Barry Munslow, ed. (Zed Books Ltd., 1986) 221 pp. Cloth $35.00, paper $12.50.

*AFRICA TOMORROW. Edam Kodjo. (The Continuum Publishing Company, 1987) 301 pp. Cloth $24.50.

APARTHEID'S REBELS: *Inside South Africa's Hidden War*. Stephen Davis. (Yale University Press, 1987) 238 pp. Cloth $27.50, paper $8.95.

BRITAIN AND NIGERIA: *Exploitation or Development*. Toyin Falola. (Zed Books Ltd., 1987) 250 pp. Cloth $35.00, paper $12.50.

*ESSAYS ON THE POLITICAL ECONOMY OF RURAL AFRICA. Robert H. Bates. (University of California Press, 1987) 178 pp. Paper $9.95.

THE MILITARY IN AFRICAN POLITICS. John Harbeson, ed. (Praeger, 1987) 208 pp. Cloth $35.95.

MOZAMBIQUE: A DREAM UNDONE: *The Political Economy of Democracy, 1975-84*. Bertil Egero. (Scandinavian Institute of African Studies, 1987) 230 pp. No price.

NORTH AFRICA: *Regional Tensions and Strategic Concerns*, Richard Parker. (Praeger, 1987) 225 pp. Cloth $35.95.

ON TRANSFORMING AFRICA DISCOURSE WITH AFRICA'S LEADERS. Kofi Buenor Hadjor. (African World Press, 1987) 162 pp. Cloth $25.00, paper $7.95.

THE POLITICAL ECONOMY OF MODERN SOUTH AFRICA. Alf Stadl (St. Martin's Press, 1987) 197 pp. Cloth $35.00.

THE POLITICS OF RACE CLASS AND NATIONALISM IN THE TWENTIETH CENTURY SOUTH AFRICA. Shula Marks & Stanley Trapido, eds. (Longman Inc., 1987) 462 pp. Paper $19.95.

RESISTANCE AND IDEOLOGY IN SETTLER SOCIETIES. Southern African Studies Vol. 4 Tom Lodge, ed. (Ravan Press, 1986. Distributed in the US by Ohio University Press) 222 pp. Paper $15.95.

SOUTH AFRICA: *The Cordoned Heart*. Omar Badshar and Francis Wilson, eds. (Carnegie Corporation of New York, 1987) 186 pp. Cloth $25.00.

THE SOUTH AFRICAN QUAGMIRE: In Search of a Peaceful Path to Democratic Pluralism. S. Prakash Sethi, ed. (Gallinger, 1987) 512 pp. Cloth $29.95

THE TRAMPLED GRASS: *Tributary States and Self-Reliance in the Indian Ocean Zone of Peace*. George W. Shepherd, Jr. (Praeger, 1987) 177 pp. Paper $12.95.

TANZANIA: *Crisis and Struggle for Survival*. Jannik Boesen, Kjell J. Havnevik, Juhani Koponen, Rie Odgaard, eds. (Scandinavian Institute of African Studies, 1986) 325 pp. Paper, SEK 150.

Economics and Development

AFRICA IN PERSPECTIVE: *Myths and Realities*. Olusegun Obasanjo. (Council on Foreign Relations, 1987) 51 pp. Cloth $10.00.

AFRICA PERSPECTIVES ON PEACE AND DEVELOPMENT. Emmanuel Hansen. (Humanities Press International and Zed Books, Inc., 1987) 237 pp. Cloth $39.95, paper $15.00.

BLACK AFRICA: *The Economic and Cultural Basis for a Federated State*. Cheikh Diop. (Lawrence Hill & Company, 1987) 125 pp. Paper $6.59.

DEPENDENCE, UNDERDEVELOPMENT AND UNEMPLOYMENT IN KENYA: *School Leavers in a Peripheral Capitalist Political Economy*. Cheru Fantu. (University Press of America, Inc., 1987) 216 pp. Paper $13.25.

IMPOSING AID: *Emergency Assistance to Refugees*. B.E. Harrell-Bond. (Oxford University Press, 1986) 440 pp. Paper $12.95.

*THE IMF AND THE WORLD BANK IN AFRICA. Kjell J. Havnevik, ed. (The Scandinavian Institute of African Studies, 1987) 179 pp. Cloth SEK 110.

PASTORALISTS OF THE WEST AFRICAN SAVANNA. Mahdi Adamu and A.H.M. Kirk-Greene eds. (Manchester University Press, 1986) 320 pp. Cloth $60.00.

THE POLITICS OF ECONOMIC POWER IN SOUTHERN AFRICA. Ronald Libby. (Princeton University Press, 1987) 361 pp. Cloth $45.00, paper $14.50.

History/Geography

AFRICAN CIVILIZATIONS: *Precolonial Cities and States in Tropical Africa:* An Archaeological Perspective. Graham Connah. (Cambridge University Press, 1987) 259 pp. Cloth $44.50, paper $15.95.

*AFRICAN ECONOMIC HISTORY. Ralph Austin. (Heinemann Educational Books Inc., 1987) 294 pp. Paper $22.50.

*AFRICAN REVOLUTIONARY: *The Life and Times of Nigeria's Aminu Kano*. Revised edition. Alan Feinstein. (Lynne Rienner Publishers, 1987) 387 pp. Cloth $32.50.

BETWEEN THE WIRE AND THE WALL: *A History of South African "Coloured" Politics*. Gavin Lewis. (St. Martin's Press, 1987) 339 pp. Cloth $45.00.

EMPIRE ON THE NILE: *The Anglo-Egyptian Sudan, 1898-1934*. M.W. Daly. (Cambridge University Press, 1986) 542 pp. Cloth $65.00.

EMPRESS TAYTU AND MENILEK II: *Ethiopia 1883-1910*. Chris Prouty. (The Red Sea Press, 1987) 409 pp. Cloth $29.95, paper $11. 5.

GOWON: *The Biography of a Soldier-Statesmen*. Isawa Elaigwu. (West Books Publisher Ltd., 1985. Distributed in the US by Humanities Press Inc.) 306 pp. Paper $12.50.

HAMMERING SWORDS INTO PLOUGHSHARES: *Essays in Honor of Archbishop Mpilo Desmond Tutu*. Buti Tlhagale and Itumeleng Musala, eds. (African World Press, Inc., 1987) 380 pp. Paper $12.95.

MUSLIM HAUSA WOMEN IN NIGERIA: *Tradition and Change*. Barbara J. Callaway. (Syracuse University Press, 1987) 242 pp. Cloth $29.95.

RASTA AND RESISTANCE: *From Marcus Garvey to Walter Rodney*. Horace Campbell. (Africa World Press, 1987) 236 pp. Cloth $32.95, paper $10.95.

SOUTH AFRICA'S CITY OF DIAMONDS: *Mine Workers and Monopoly Capitalism in Kimberly, 1867-1895*. William H. Worger. (Yale University Press, 1987) 330 pp. Cloth $30.00.

SPORT IN AFRICA: *Essays in Social History*. William Baker and James Mangan, eds. (Africana Publishing Company, 1987) 309 pp. Cloth $49.50.

Sociology/Education/Religion/Anthropology

POPULAR ISLAM SOUTH OF THE SAHARA. J.D.Y. Peel and C.C. Stewart, eds. (Manchester University Press, 1986) 128 pp. Paper $15.00.

RELIGION, DEVELOPMENT AND AFRICAN IDENTITY. Kristen Holst Peterson, ed. (Scandinavian Institute of African Studies, 1987) 163 pp. Cloth SEK 110.

TRADITION AND MODERNIZATION: *A Challenge for Law Among the Dinka of the Sudan*. Francis Mading Deng (Yale University Press, 1987) 430 pp. Paper $13.95.

Literature/Art

FROM SOUTH AFRICA: *New Writings, Photographs & Art Tri-Quarterly*. David Bunn, and Jane Taylor, eds. (Northwestern University, 1987) 496 pp. Paper $13.50

HATUMERE: *Islamic Design in West Africa*. Labelle Prussin (University of California Press, 1986) 306 pp. Cloth $75.00.

A HANDBOOK FOR AFRICAN WRITERS. James Gibbs, ed. (K.G. Sauer Inc. 1986) 218 pp. Cloth $36.00.

THE SCAFFOLD. E.B. Lurie. (Zed Books Ltd., 1986) 237 pp. Cloth $19.95, paper $7.95.

UNDER A SOPRANO SKY. Sonia Sanchez. (Africa World Press, Inc., 1987) 101 pp. Cloth $16.95, paper $6.95.

WOMEN IN AFRICAN LITERATURE TODAY. Eldred Jones, Eustace Palmer and Marjorie Jones, eds. (Africa World Press, 1987) 162 pp. Cloth $29.95, paper $8.95.

Reference/Miscellaneous

YEARBOOK OF THE HUMAN RIGHTS COMMITTEE 1977-78, Volume II. United Nations. 323 pp. $35.00.

INDEX

VOLUME 33, 1986

AFRICA TODAY

A .... Article
B .... Biography
BR .... Book Review
E .... Editorial
FR .... Film Review
GE .... Guest Editorial
M .... Africa Rights Monitor
(location indicated by issue & page number)

SUBJECT INDEX

INDEX OF CONTRIBUTORS

INDEX OF BOOKS REVIEWED