



**AN ASSESSMENT OF NIGERIA'S ENGAGEMENT WITH THE WORLD BANK IN  
THE FOURTH REPUBLIC, 1999-2020**

**BY**

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**ABSTRACT**

*Nigeria's engagement with the World Bank in the Fourth Republic can generally be regarded as very rewarding (beneficial). A lot of financial assistance in forms of credits and loans have been granted to Nigeria to assist the country in general infrastructural development between 1999 and 2020. In spite of this positive engagement between the country and the World Bank, much is yet to be done towards moving the county towards the attainment of the Federal Ministry of Industry, Trade & Investment's "Zero Oil Policy". The failure of the country to direct all these World Bank assistance, loans and debt relief towards boosting the industrial, manufacturing and other non-oil exports informed the need for this study. The study is a qualitative one where data was generated through secondary sources such as books, journals, magazines, internet facilities, newspapers and periodicals. The data generated was analyzed through descriptive method. The concept of economic relations and theories of global economy and interdependence were clarified as anchors for the study. At the end, recommendations were proffered. Principal among which is the need for Nigeria to maximally utilized all financial assistance from the global apex Bank for expanding its foreign revenue sources in the areas of industrialization and manufacturing; where unique manufactured goods in which the country has comparative competitive advantage will be sold in the international market. This will eventually serve as a viable major alternative foreign revenue earner for the country.*

**Keywords: Engagement, Industrialization, Foreign Revenue, Manufacturing, Debt Relief, Loans, Foreign Assistance.**

**INTRODUCTION**

Nigeria since the attainment of her political independence in 1960 has been having cordial working relationship with the World Bank more especially in economic terms. The Bank has been assisting the country with expert/technical advice on her domestic developmental programmes as well as outright financial grant and lending up to the early 1980s. However, the Bank was forced to stop all its activities in the country in the late 1980s due to poor leadership qualities that resulted into bad governance under undemocratic regimes. These despotic military

regimes were characterized by culture of impunity where accountability and probity in public life became misnomers. Huge domestically generated revenue (DGR) and externally earned revenue (EER) were mismanaged, misdirected and siphoned into private/personal accounts of insensitive and unresponsive exclusive (*stone faced*) rulers. Under this condition, it will be foolhardy or an outright professional suicide for the global apex Bank to advance its facilities to reckless regimes. The consistent failures of the despotic regimes in the country to adhere strictly to the financial advice of the World Bank resulted into very serious sour relationships. This strained relationship between Nigeria and the World Bank that resulted into a complete financial assistance eclipse for the country, lingered up to the first quarter of 1999. However, as from May 29, 1999 all forms of relationships resumed between the Global Apex Bank (GAB) and the country. In spite of this rejuvenated engagement between Nigeria and the World Bank, the economic benefits garnered by the country so far, is not well articulated and directed towards extricating the country from the shackles of dependence on a single major foreign revenue source (which is oil and gas [O&G]).

There is also the manifest failure on the part of the World Bank and its experts to advice and where necessary, coerced Nigeria to toe the line of industrialization and manufacturing which is the current vogue in international politics and economics that is religiously pursued by serious contenders to the group of most developed economies of the world. The GAB's failure to direct the successive civil democratic administrations in the country from 1999 to 2020 to direct the country's enormous oil wealth to manufacturing could be explained from conspiracy and hypocrisy theories; because it wants to ensure Nigeria's perpetual dependence on it (GAB) for handouts. It is therefore the massive failures of the Nigerian political leaders and the World Bank from 1999-2020 to put the country on track of becoming the leading manufacturing haven of the world that inform the motivation to embark on the study.

### **AIM AND OBJECTIVES**

The major aim of the study is to assess the engagement of Nigeria with the World Bank in the Fourth Republic, 1999 and 2020. The specific objectives are:

1. To determine the extent to which the World Bank has technically and expertly assisted Nigeria in the Fourth Republic.
2. To assess the inflow of financial assistance from the World Bank to Nigeria in the Fourth Republic.
3. To assess the extent of World Bank/IDA financial commitment for projects in Nigeria in the Fourth Republic.
4. To assess the level of World Bank grants for infrastructural development in Nigeria in the Fourth Republic.

### **METHODOLOGY**

The study is a qualitative one where secondary sources of data were mainly utilized in generating data for the study. The research, which is an assessment of Nigeria's engagement with the World Bank in the Fourth Republic, is essentially descriptive and explanatory.

#### **Sources of Data**

The secondary source of data collection was the one adopted and utilized in generating data for the study through document studies. Relevant documents on Nigeria's Foreign Policy and its

engagement with the World Bank were scrutinized. Documents scrutinized include official documents such as annual reports, internal memoranda and policy manuals. Other documents included published materials such as textbooks, academic journals, conference papers, newspapers, magazines and internet materials.

### **Data Analysis**

Both Sequential and Discourse Analysis Techniques were adopted in analyzing data generated for this study. Data generated with figures were presented in tabular and graphical forms. This was followed by discourse analysis where data collected were discussed drawing inference from them.

## **CONCEPTUAL/THEORETICAL FRAMEWORK**

The concept of economic relations, theories of global political economy and interdependence, are hereby defined and clarified as frameworks for the study:

### **ECONOMIC RELATIONS**

Uya (1992) defines economic relations as the process through which a country tackles the outside world to maximize their national gains in all fields of activity including; trade, investment and other forms of economically beneficial exchanges, where they enjoy comparative advantage. Ajaebili, (2011), defines economic relations as the encouragement and promotion of investment, protection of deals from inception to signing of contracts; and the marketing of an entire nation as if it were a business outfit itself. Uhomoibhi, (2012), construe economic relations as having to do with issues of investment, market access or trade, transfer of technology and human resources development among others.

In the form of working definition, economic relations can be defined as the aggregation of and, pursuit of all economic interests (trade, investment, foreign goodwill, remittances, exports, debt relief issues, exports, etc.) of a given country across its borders.

### **GLOBAL POLITICAL ECONOMY THEORY (INTERNATIONAL POLITICAL ECONOMY THEORY)**

The Global Political Economy also called International Political Economy Theory; was popularized by Robert Cox (1987) and Robert Gilpin (2001) who threaded on the path of David Ricardo (1951) and Adam Smith (1776). The theory looks at how power relations, international economics and politics interact in the international environment. They maintain that there are three main strands of International Political Economy, which include Economic Liberalism, Mercantilism and Marxism. However, economic globalization is the fourth strand which they omitted.

- i. Economic Liberalism, following in the tradition of Adam Smith and David Ricardo, stresses the value of a capitalist market economy that operates according to its own laws and, when freely allowed to do so, maximizes benefits for individuals, companies and nations. The World Trade Organization (WTO) embodies the values espoused by this strand of International Political Economy.
- ii. Mercantilism holds that the economy should be, used to enhance state power, and thus be subordinate to politics. Protectionist and other policies that minimize dependence on other states are, promoted, as are policies of state-led development.

- iii. Marxism sees the economy as a crucible of exploitation and inequality between classes, one in which the dominant economic class also dominates politically. It holds that capitalist development contains contradictions that will eventually produce crisis conditions affecting both social classes and nation states. Within International Political Economy Theory, “world system theory” describes the capitalist international economic system as consisting of core, peripheral and semi peripheral areas defined by their modes of labor control and specializations. In doing so, these theorists promote greater recognition of how underdeveloped countries are exploited by those with the monopoly of global capital.
- iv. Economic globalization is the fourth strand of the nascent international political economy, which the western worlds have devised through the New Global Agenda. The economic liberalization agenda was so fashioned by the industrialized north to, further entangle the unfortunate underdeveloped countries by perpetually incorporating them into the traps of international finance and capital. With this subtle global economic policy, it will further opened-up the economies of third world countries to more exploitation by the industrialized countries. This will further exacerbate the entanglement of their economies to International Finance Capital and of their perpetuation to the shackles of dependency (Gilpin, 2001, Saleh, 2008).

As such, as it was with economic liberalism and mercantilism, economic globalism shielded by convergence theory, is an advance form and a more lethal instrument for the plunder and exploitation of the resources of third world countries. This is because the formulation of these NGA, are exclusive to the Northern hemisphere. The unfortunate countries of the South were not consulted at the formulation stage; but were forced not only to accept, but also to domesticate these NGA at their perils. This is to further increase Western prosperity and their perpetual dominance of international affairs (Wallerstein, 1989; Saleh, 2008).

#### **INTERDEPENDENCE THEORY –**

This theory was first, introduced by two American psychologists Harold Kelley and John Thibaut in 1959; but was formalized as a theory in 1978. They see interdependence theory as part of a large scale of social exchange theories. Social exchange theories look at how people exchange rewards and cost in a relationship. Keohane and Nye (1977, 1987) were among the pioneering scholars who adopted a hitherto psychological theory of interdependence to serve as a framework for the analysis of phenomena in international relations. The duo of these political scientists stressed that from the foreign policy standpoint, the position of individual government is how to benefit from international exchanges, while maintaining as much autonomy as possible. The theory is all about maximizing rewards (reaping greater economic benefits) and minimizing cost in international interactions. Amongst the benefits to be reaped by Nigeria in its interdependent relations with other countries and international business partners is the attraction of Foreign Direct Investment; which should be directed at the manufacture of finished unique products for exports. This will expand the country’s foreign revenue sources and moved it away from overdependence on a mono external revenue sources (Oil and Gas [O&G]); that is not only highly unreliable source but also an exhaustible one for that matter. This is based on the fact that some of the oil-endowed members of the G7 like Canada and the USA rely less on their oil

wealth to finance their national budgets. Rather, industrialization and manufacturing are the backbones of their economies, which made them to be global gladiators and determinants of international affairs.

## **ASSESSMENT OF THE INFLOW OF TECHNICAL/FINANCIAL ASSISTANCE AND GRANTS/AIDS TO NIGERIA FROM THE WORLD BANK BETWEEN 1999 AND 2020**

The assessment of Nigeria's engagement with the World Bank is carried out in terms of technical assistance and expert advice; inflow of grants; financial assistance and aids for projects and general infrastructural development in the country. These are as carried out below:

### **World Bank Technical/Expert Assistance to Nigeria**

With the enthronement of civil democratic governance in Nigeria on May 29, 1999, the World Bank worked closely with the Federal Government to help the country achieve her priorities of establishing good governance, re-building the country's infrastructure, improving service delivery and promoting non-oil growth. The Bank in the year 2000 granted \$20 million Technical Assistance loan to Nigeria through the Economic Management Capacity Building Project (EMCBP) in support of governance drive. It has also assisted in the passage of Acts/Bills towards transparent governance such as Anti-corruption Act of 2000, Procurement Act of 2000, Amendments to Finance Acts, Fiscal Responsibility Acts and Auditor General Bill. It is in view of this that the civilian administration of Nigeria under President Olusegun Obasanjo in 2003 embarked on a reform to improve fiscal discipline and public expenditure management, as a preliminary measure to kick-start a broader public sector reform and to introduce changes in the institutional framework needed to address corruption (World Bank, 2004).

With the above positive steps by the new administration in Nigeria, the World Bank resumed full activities in Nigeria and moved quickly to support these efforts of Obasanjo by providing loans and grant supports for the needed capacity-building initiatives. Apart from this direct engagement with the Federal Government, the focus of the Bank's support gradually shifted to Nigeria's thirty-six states because they control half of the country's public resources and carry out bulk of the responsibility for service delivery. However, because of lack of effective statutorily enshrined oversight, their fiscal management is for the most part characterized by lack of accountability. Hence, the active collaboration of the Bank with the thirty-six states of Nigeria is to ensure probity in public spending such that the substantial resources they receive from the federation account actually translate into realistic improvement in the lives of the Nigerian citizens. This is to be done with more attention to the vulnerable class (the poor and the indigent) who are in the majority (World Bank, 2010; 2017).

Furthermore, the Bank undertook a major effort at identifying and approving new investment loans to support the development of key sectors of the Nigerian economy. The Bank actively advised Nigeria's creditors that the level of servicing the country was required to undertake was not consistent with her achievement of the MDGs, which contributed to the decision of the London and Paris Clubs to write-off 60% (\$18bn) of Nigeria's debts. The Bank also supported the effort of the reformers with a substantial loan for economic governance that provided support for the budget and civil service reforms (MFA-AR, 2012).

With the setting up of National Economic Empowerment and Development Strategy (NEEDS) in 2004 by Obasanjo, the Bank prepared a joint Country Partnership System (CPS) with the United Kingdom Department's Fund of International Development (DFID) to assist Nigeria towards the realization of this goal. The three pillars of NEEDS include; changing the ways government works and improving governance; growing the private sector and focusing on non-oil growth; and empowering people and improving services delivery. All these three pillars are in line with the Bank's outlined strategy documents and have been adopted by the CPS. If the ideals of the CPS had been transparently encouraged by the Bank and strategically adopted by Nigeria, it would have led to the boosting of the industrial and manufacturing sector/sub-sector of the economy. This industrialization and manufacturing drive should be done with more emphasis in the area of the utilization of local content strategic thinking for the manufacture and export of unique products in which the country has comparative competitive advantage in the international market.

Nevertheless, in their effort to assist Nigeria to reduce or even eradicate prevalence of grafts in the system, both the World Bank and DFID between 1999 and 2003 supported the Federal Government in its anti-corruption crusade with diagnostic tools such as unit cost norms for use in monitoring public procurement. The Auditor General's Office, Accountant General's Office, National Bureau of Statistics, Independent Corrupt Practices and other related offences Commission (ICPC), Economic and Financial Crimes Commission (EFCC) were empowered to serve as watchdogs; where Nigeria subscribed to the Extractive Industries Transparency Initiative (EITI), which is an international body to ensure transparency in the oil industry. The domestication of this led to the formation of her own 'Nigeria Extractive Industries Transparency Initiative (NEITI)'. The 'Due Process' introduced by Obasanjo yielded savings of more than \$800 million. In the same vein, the NEITI between 1999 and 2004 recouped \$1billion from previous uncollected revenue. In his second tenure, Obasanjo was able to recoup over \$500 million looted public funds from abroad with the active help of the World Bank (MFA-AR, 2012).

### **World Bank Grants and Financial Assistance to Nigeria in the Fourth Republic**

The Bank supported the reform at the federal level with two economic reform and governance loans. The first loan was small and opportunistic; while the second, which was much larger provided the reform team with the resources needed to adequately support the programmes they are introducing. Bank lending to Nigeria has been in the form of investment loans. Between 2000 and 2007, Nigeria has received twenty-six International Development Association (IDA) Credits plus four (4) Supplementary Credits for ongoing projects totaling over \$2.7 billion (World Bank, 2013). Details of these projects and financial commitments are as contained in the statistics in Table 1 and Figure 1 below:

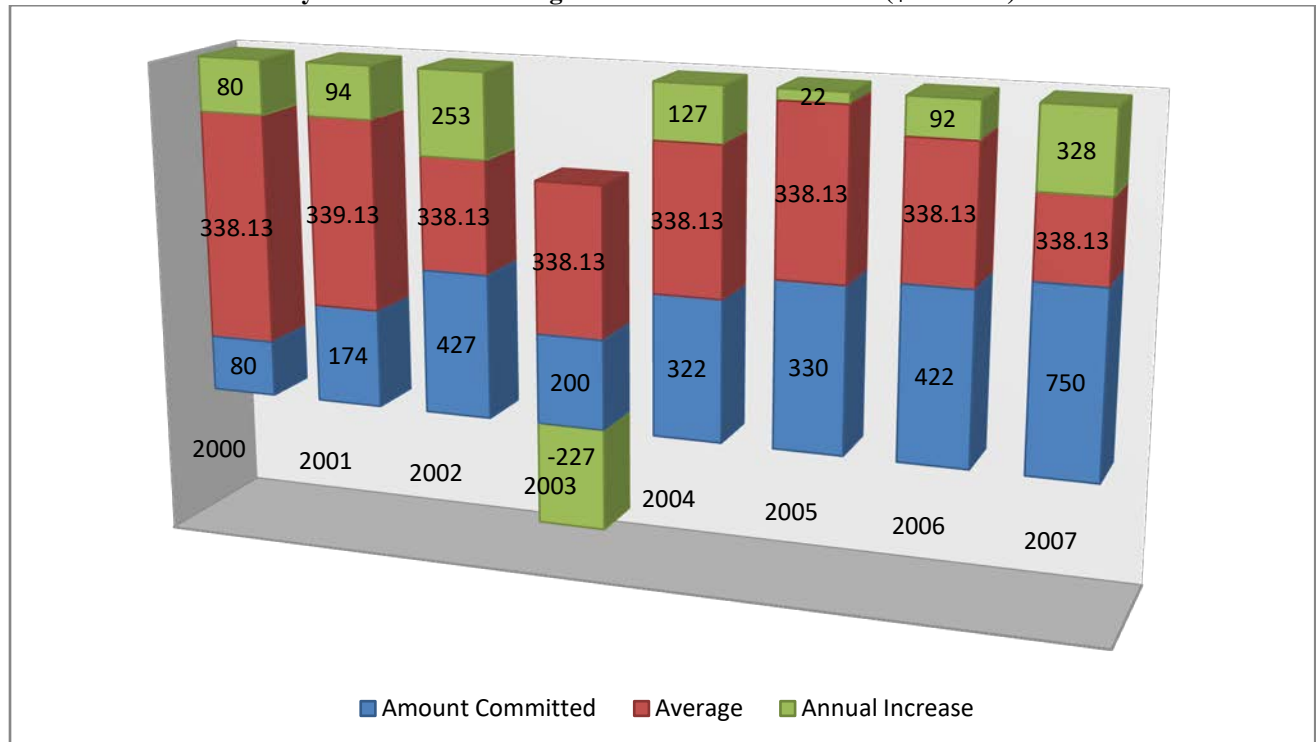
**Table 1: Financial Commitments by the IDA/IBRD in Nigeria between 2000 and 2007 (\$millions)**

S/No.	Year	Amount	Average	Annual Increase	Percentage
1.	2000	\$80million	\$338.13million	\$80million	3%
2.	2001	\$174million	\$338.13million	\$94million	6%
3.	2002	\$427million	\$338.13million	\$253million	16%
4.	2003	\$200million	\$338.13million	-\$227million	7%

5.	2004	\$322million	\$338.13million	\$122million	12%
6.	2005	\$330million	\$338.13million	\$22million	12%
7.	2006	\$422million	\$338.13million	\$92million	16%
8.	2007	\$750million	\$338.13million	\$328million	28%
	<b>Total</b>	<b>\$2.705million</b>	<b>\$2.705million</b>	<b>\$991million</b>	<b>100%</b>

Source: Generated by the Researcher in 2020 as adapted from World Bank, 2013

**Fig. 1:**  
**Financial Commitments by the IDA/IBRD in Nigeria between 2000 and 2007 (\$millions)**



Source: Generated by the Researcher in 2020 as adapted from World Bank Report, 2013

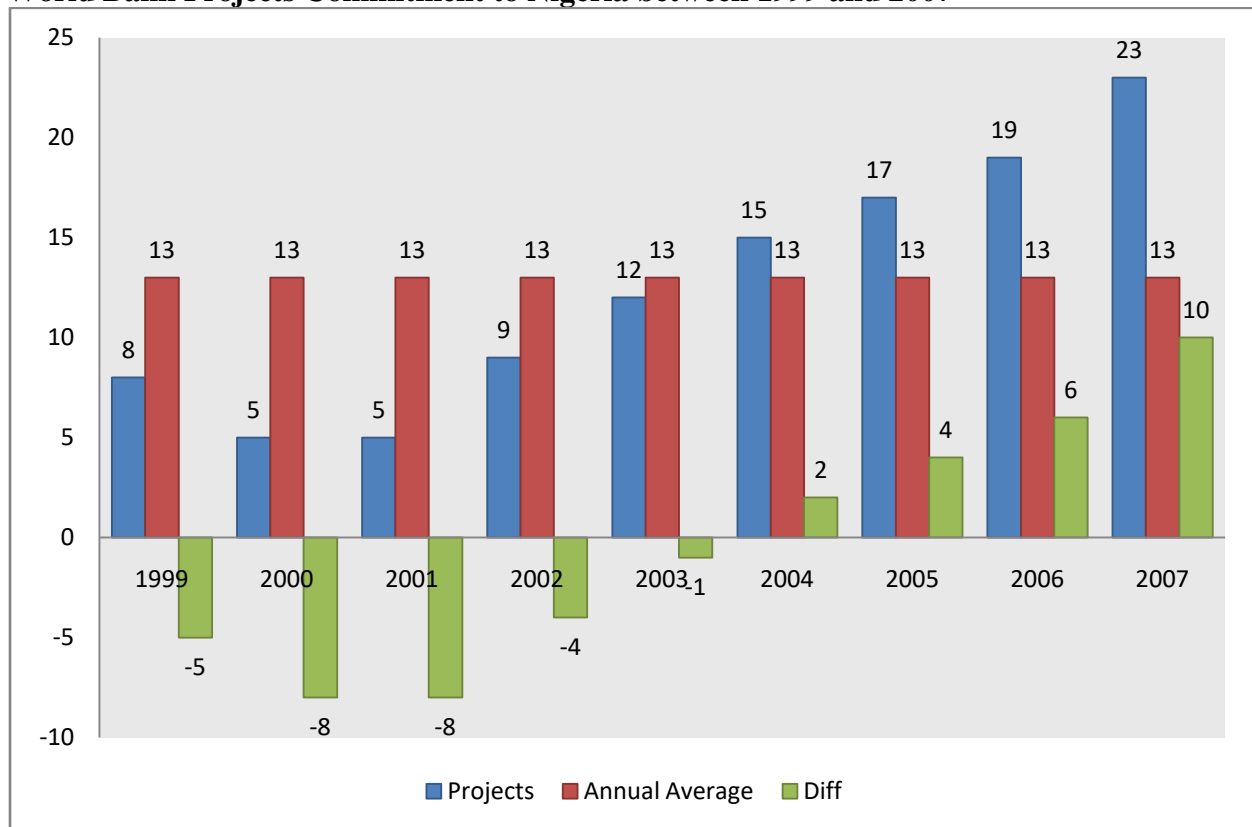
Apart from the IDA/IBRD financial commitments to Nigeria between 2000 and 2007 above, the World Bank has also assisted in funding projects totaling \$10,128 billion in Nigeria between 1999 and 2007 as shown in the statistics Table 2 and Figures 2 and 3 below:

**Table 2: Statistics showing World Bank Projects and Financing Commitment to Nigeria between 1999 and 2007**

S/No.	Year	Projects	Amount	Annual Average	Annual Increase
1.	1999	8	\$715bn	\$1,266bn	\$715bn
2.	2000	5	\$437bn	\$1,266bn	-\$278bn
3.	2001	9	\$254bn	\$1,266bn	-\$183bn
4.	2002	9	\$682bn	\$1,266bn	\$428bn
5.	2003	12	\$911bn	\$1,266bn	\$229bn
6.	2004	15	\$1,228bn	\$1,266bn	\$317bn
7.	2005	17	\$1,503bn	\$1,266bn	\$275bn
8.	2006	19	\$1,824bn	\$1,266bn	\$321bn
9.	2007	23	\$2,574bn	\$1,266bn	\$750bn
	<b>Total</b>	<b>117</b>	<b>\$10,128bn</b>	<b>\$10,128bn</b>	<b>\$3035bn</b>

Source: Generated by the Researcher in 2020 as adapted from World Bank Report, 2013

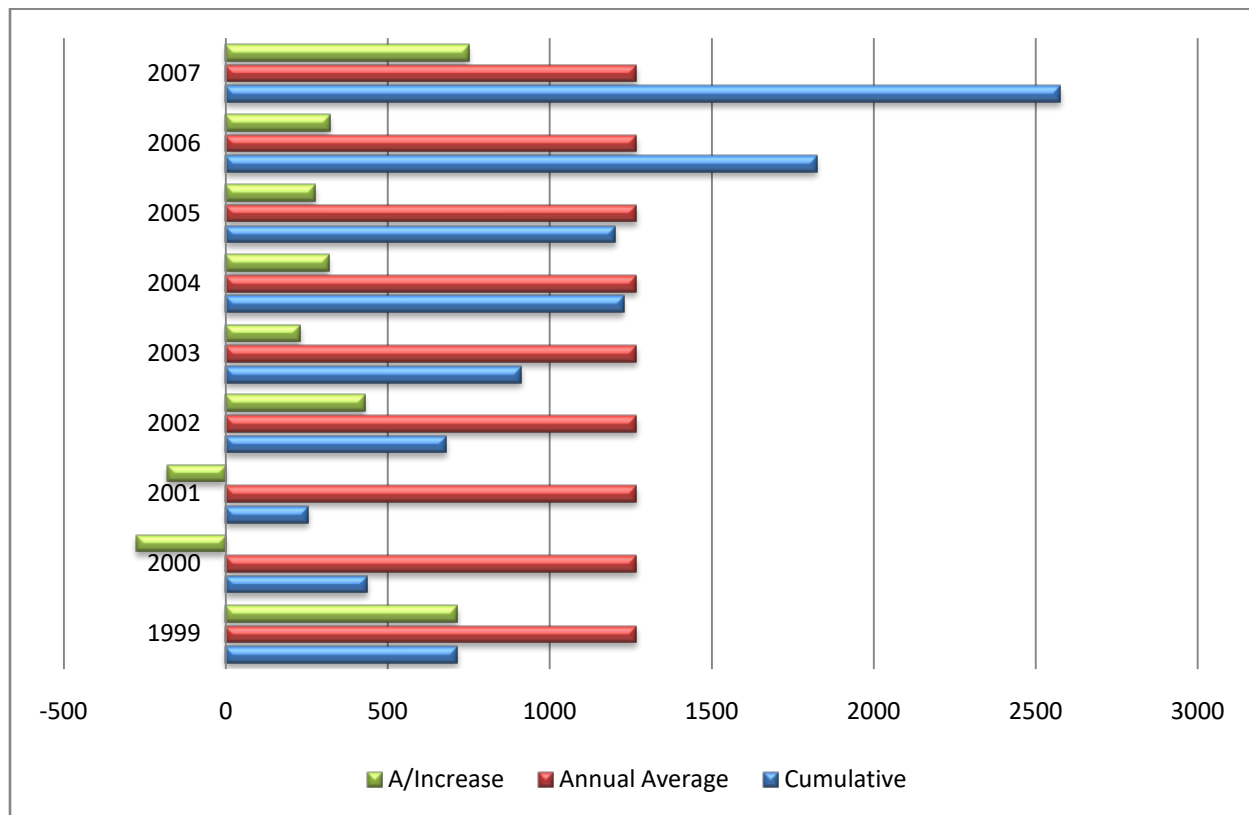
**Figure 2:**  
**World Bank Projects Commitment to Nigeria between 1999 and 2007**



Source: Generated by the Researcher in 2020 as adapted from World Bank Report, 2013

**Fig. 3:**  
**World Bank Financing Commitment to Nigeria between 1999 and 2007**





Source: Generated by the Researcher in 2020 as adapted from World Bank Report, 2013

The World Bank financing in the country are also contributing to the establishment of some effective institutions and Community-Driven Development (CDD) projects such as; the National Statistics Office, the Nigerian Agency for the Control of AIDS (NACA), the Lagos Metropolitan Area Transport Authority (LMATA) and the Lagos Central Office of Statistics. The Bank granted a small \$18 million State Governance Capacity Building Project (SGCBP) to be shared equally between three states of Bauchi, Cross-River and Kaduna. Lagos receives similar support under a \$6 million component of a \$120 million loan for the Lagos Metropolitan Development and Governance Project (LMDGP). An additional \$200 million was granted Lagos state for the LMDGP in 2007. To improve water generating capacity in the country, the Bank in 2000 supported Nigeria with the sum of \$5 million for ‘Small Towns Water Supply and Sanitation’ (STWSS). In addition, three states of; Kaduna, Kano and Ogun also benefited from the Bank’s \$120 million first ‘National Urban Water Sector Reform Project’ (NUWSRP) in 2005. While, the states of Lagos and Cross-River; were granted loan of \$200 million in 2006 from the second National Water Sector Reform Project (NWSRP) (World Bank, 2013).

In view of the high cost of doing business in Nigeria as the result of poor domestic infrastructure such as epileptic power supply among others, the World Bank supported the country with a grant of \$100 million ‘Transmission Development Project’ (TDP) in 2002 for efficient energy transmission and distribution. In spite of this effort, infrastructural performance of Nigeria as compared with the poorest African countries, poorest Asian countries and Low Income countries shows that the country was the least in manufacturing, services delivery,

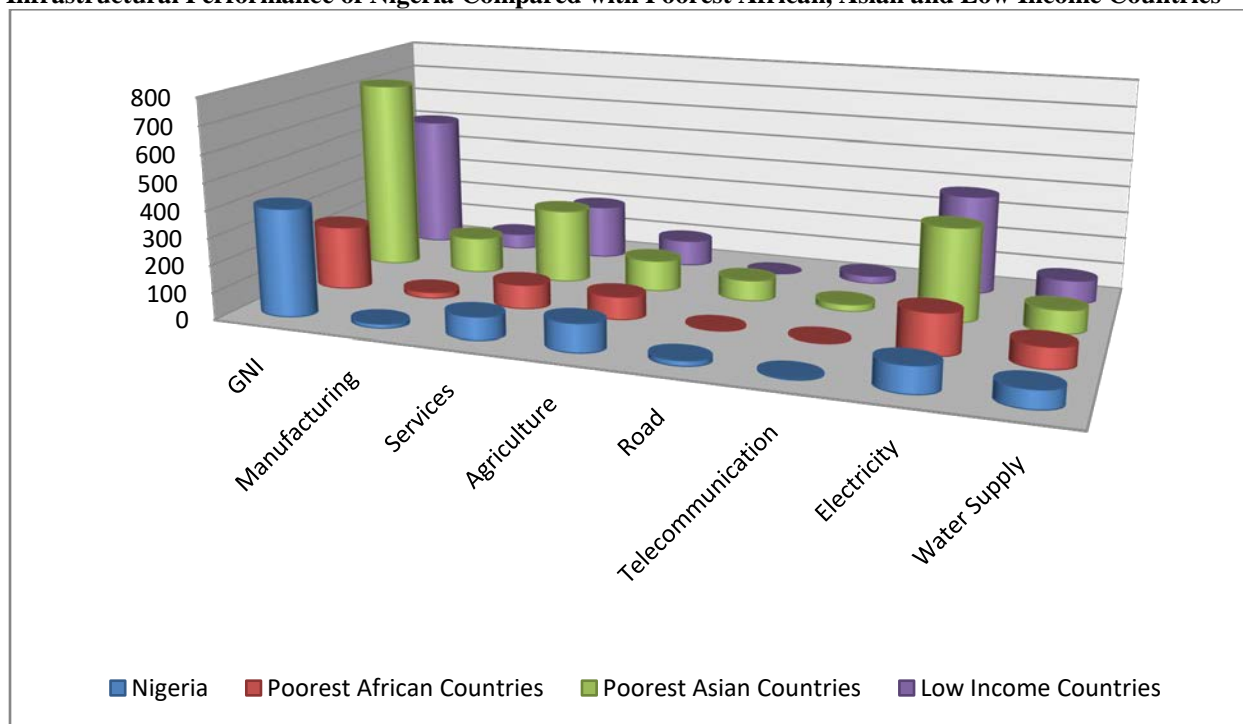
electricity and improved water source (World Bank, 2013). This is represented by the statistics in Table 3 and the graph in Figure 4:

**Table 3: Infrastructural Performance of Nigeria Compared with Poorest African, Asian and Low Income Countries (LICs)**

S/No.	Sectors	Nigeria	Poor African Countries	Poor Asian Countries	Low Income Countries
1.	GNI	400	250	717	506
2.	Manufacturing	17	24	137	60
3.	Services	85	91	279	207
4.	Agriculture	104	86	118	100
5.	Road	21	6	79	-
6.	Telecommunication	7	5	27	30
7.	Electricity	97	151	348	374
8.	Water Supply	67	79	88	88

Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004; World Bank, 2013

**Figure 4: Infrastructural Performance of Nigeria Compared with Poorest African, Asian and Low Income Countries**

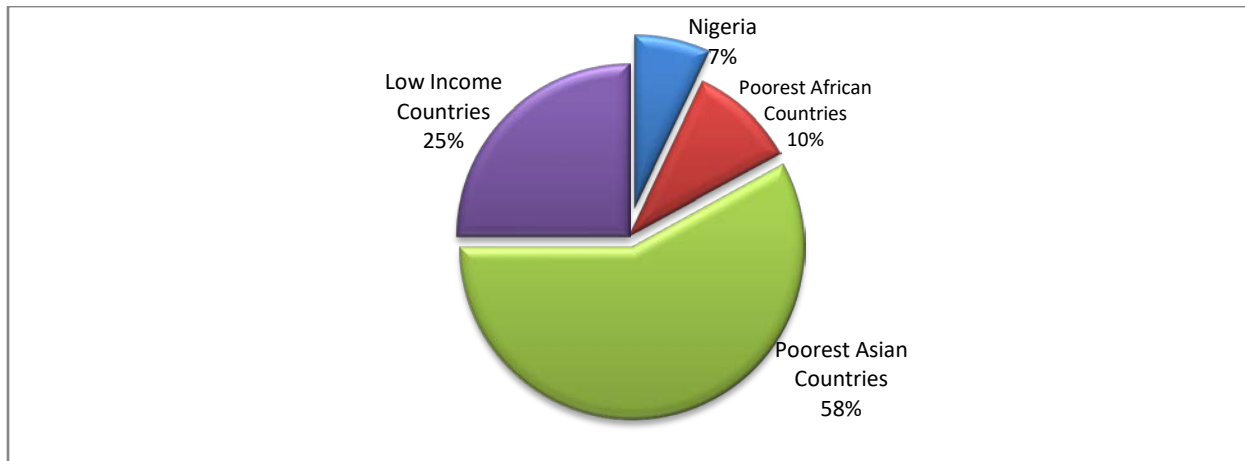


Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004; World Bank, 2013

Percentage manufacturing performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries shows that Nigeria recorded 7%, Poor African Countries with 10%, Poorest Asian Countries with 58% and Low Income Countries with 25%. This is as illustrated in the Pie Chart in Figure 5 below:

**Figure 5:**

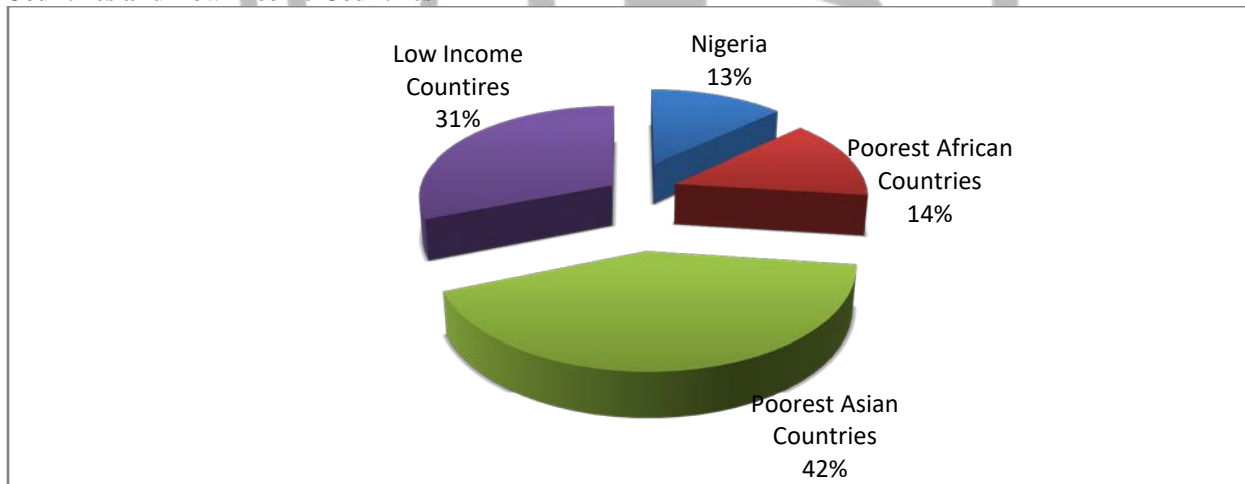
**Percentage Manufacturing Performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries**



Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004; World Bank, 2013

Percentage services performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries shows that Nigeria recorded 13%, Poor African Countries with 14%, Poorest Asian Countries with 42% and Low Income Countries with 31%. This is as illustrated in the Pie Chart in Figure 6 below:

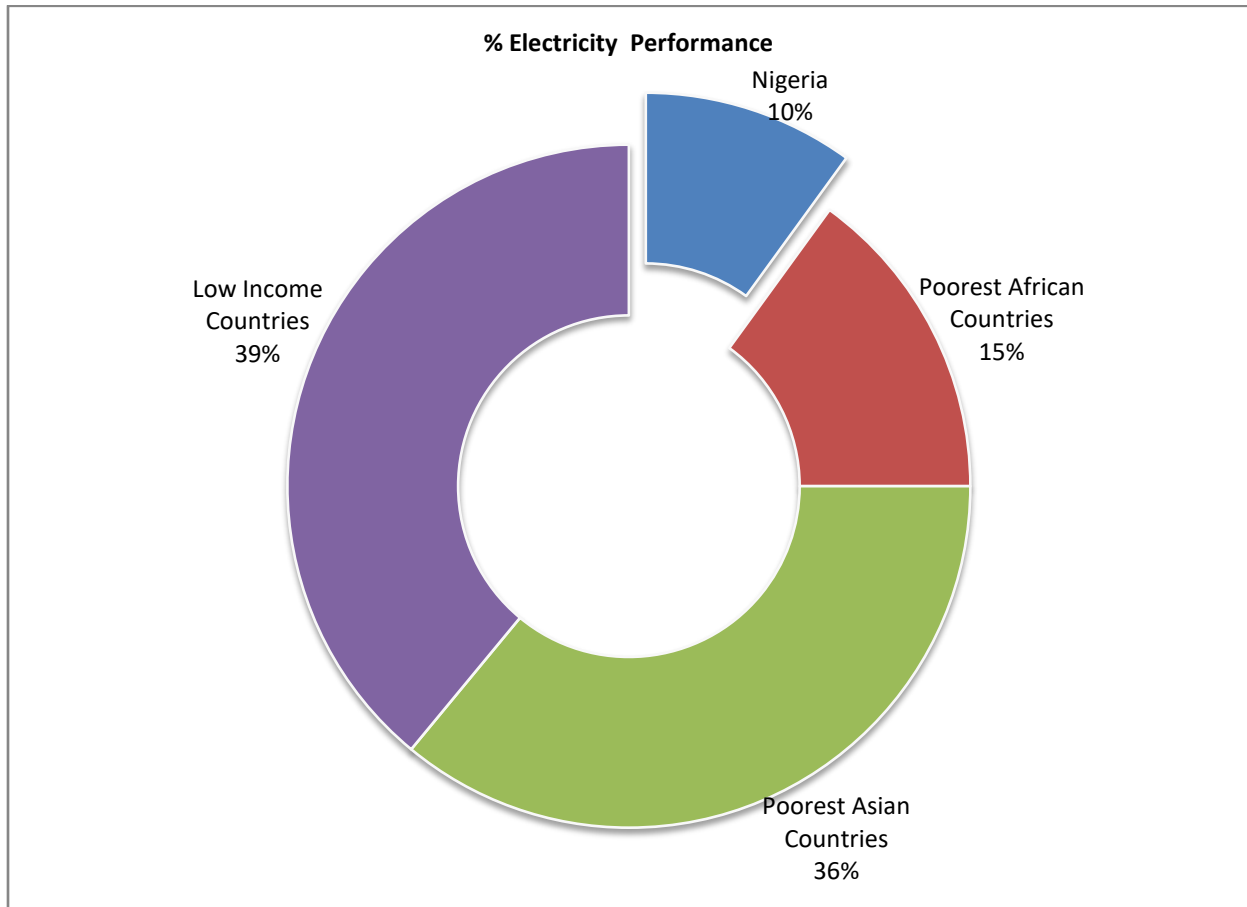
**Figure 6:**  
**Percentage Services Performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries**



Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004; World Bank, 2013

Percentage electricity performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries shows that Nigeria recorded 10%, Poor African Countries with 15%, Poorest Asian Countries with 36% and Low Income Countries with 39%. This is as illustrated in the Pie Chart in Figure 7 below:

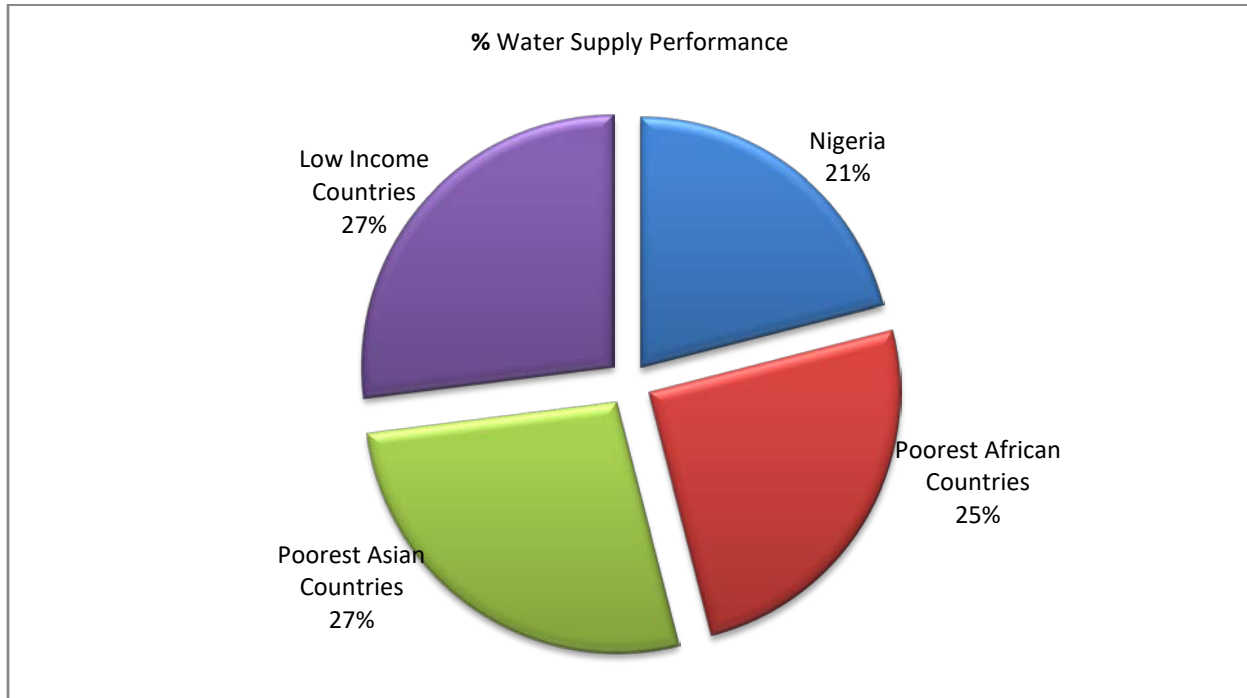
**Figure 7:**  
**Percentage Electricity Performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries**



Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004; World Bank, 2013

Percentage of water supply performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries shows that Nigeria recorded 21%, Poor African Countries with 25%, Poorest Asian Countries with 27% and Low Income Countries with 27%. This is as illustrated in the Pie Chart in Figure 8 below:

**Figure 8:**  
**Percentage of Water Supply Performance of Nigeria compared with Poorest African Countries, Poorest Asian Countries and Low Income Countries**



Source: Generated by the Researcher in 2020 as adapted from World Bank Internal Database, 2004, World Bank, 2013

### **World Bank Infrastructural Development Assistance to Nigeria in the Fourth Republic**

The continuous poor performance of Nigeria in the four key sectors of, manufacturing, services, electricity and water supply compared with the three poorest countries of Africa, Asia and Low Income countries (LICs) as illustrated in Figures 4 to 8 above made the world bank to come to the country's assistance. The Bank granted another \$172 million 'National Energy Development Project' (NEDP) as loan to the country in 2006. It was specifically meant for improving the energy distribution system. This in the Bank's views will reduce the cost of doing business and increase non-oil growth in the country. With an efficient energy transmission and distribution system in private hands, it will ensure steady and regular supply of energy/power in the country; which is a key for the blossoming of the manufacturing sub-sector that will serve as a driver of the national economy. Just as in the power sector reform, a reform in the telecommunication sector will be an added impetus for a country that aspires to move away from over-dependence on oil revenue and to promote non-oil growth. It is in realization of this that the Bank through technical assistance under the Privatization Support Project (PSP) supported the privatization move in the country with \$115 million in 2002. By the year 2017, virtually all the commercial public enterprises have been, privatized including the telecommunication and the power sectors.

To further promote the non-oil growth and move the country away from overdependence on petroleum oil as the major external revenue earner of the country, the Bank in 2005 also granted \$120 million to the Federal Government in support of its Sustainable Management of

Mineral Resources Project (SMMRP). This is to promote the solid mineral sector as additional foreign revenue sources to the country.

To ensure that the road networks and their conditions are improved upon, the World Bank through its “Road Vision” for Nigeria earmarked \$250 million for the establishment of a lean and autonomous highway authority to be staffed by professionals selected through a competitive process with maintenance contracted out to private sector through performance-based contracts. Cost of maintenance was to come from road fund derived from earmarked taxes on fuel, dedicated to maintenance and overseen by a national roads board representing key stakeholders including road users. However, the Nigerian government avoided the Bank’s proposal and went ahead to established the Federal Roads Maintenance Agency (FERMA). In line with this, the World Bank granted the sum of \$100 million credit to Lagos Urban Transport Project in 2003.

The total of \$456 million Credit was granted to Nigeria between 2001 and 2007 by the World Bank to improve on the educational sector. The breakdown shows that the sum of \$55 million credit was granted the country for primary education in 2001. The Bank advanced the sum of \$101 million credit to the country in 2003 for Universal Basic Education (UBE). In the Bank’s effort to assist Nigeria in improving science and technology education in the country, it granted \$180 million credit for ‘Science and Technology Post-Basic Education’ (STPBE) in 2007. Another \$55 million credit was, given to Nigeria in 2007 in the Bank’s ‘Second Primary Education Project’. While the Bank in the same 2007 granted \$65 million credit to three Nigerian states of: Kaduna, Kano and Kwara for ‘Primary Education Project’ (World Bank Report, 2013).

On the World Bank’s effort to improve both the preventive and curative health care services in Nigeria, it granted total of \$974 million credit to the country between 2000 and 2007. The Bank in 2002 granted Nigeria \$90.3 million credit for curative and preventive strategy in curbing the spread of HIV/AIDS. In the same year (2002), the Bank gave the country \$127 million credit for ‘Health System Development Project’ (HSDP). Another set of credits ranging from \$140.3 million for HIV/AIDS programme, \$80.4 million for Polio eradication and \$180 million totaling \$400.7 for Malaria control was, granted to Nigeria as credit in 2005. On HIV/AIDS control, a further supplementary financing of \$50 million credit was approved for the country in 2007. Seven Nigerian states of: Bauchi, Gombe, Jigawa, Kano, Akwa-Ibom, Anambra and Cross-River benefited from a \$180 million credit granted by the Bank for the control of Malaria in 2007. Another effort in this direction is the Bank’s ‘Multi-state Health System Development Project’ (MHSDP) where it granted \$126 million to the 36 states of the federation with each state having equal share of \$3.5 million regardless of individual states’ needs in 2007 (World Bank Report, 2013).

The Bank’s effort in reducing poverty in Nigeria resulted in the total of \$417 million credit approved for the country between 2001 and 2008. The breakdown shows that \$60 million was approved in 2001 for general access by the poor to key sectors such as health care, education, water, sanitation, economic and social services. This is complemented with counterpart funding. The sum of \$100 million was, approved for the country in 2002 by the Bank for Community-Based Urban Development Project (CBUDP). In 2004, the Bank approved \$100 million for Fadama II and \$32 million credit in support of Micro, Small and Medium Enterprises (MSMEs). Supplementary financing of \$25 million was approved by the Bank for poverty

reduction in the country. The sum of \$100 million was approved for the country by the Bank in 2008 to cover 15 states under the ‘Rural Access Mobility Project’ (RAMP) for the Community-Based Urban Development Project (CBUDP) (World Bank Report, 2013).

On 26<sup>th</sup> April, 2014 Global Fund granted Nigeria \$1.1 billion to fight killer diseases with 44% devoted to fighting malaria. IFAD on 19<sup>th</sup> May, 2015 donated \$87 million to support farmers in North Eastern region of Nigeria. This is in addition to an earlier donation of \$27 million granted to the country in 2013. The World Bank on 10<sup>th</sup> February, 2017 gave Nigeria \$320 million as assistance for rural community development. Further assistance came Nigeria’s way from the World Bank when it earmarked \$520 million for 23 states in Nigeria for rural development and agriculture. This was made known by the Country Director of the Bank in Nigeria on 27<sup>th</sup> October, 2017 during a courtesy call on governor Abdulfatah Ahmed of Kwara State (NTA News, 2017; Core TV, 2017; Liberty TV, 2017).

On April 18, 2017, the World Bank approved the sum of \$150 million to enhance the contribution of mining sector to the Nigerian economy. This is to be tilted more in favour of the mining of industrial minerals (Liberty TV, 2017). When we add this \$150 million to an earlier \$120 million given for the same purpose, we will arrive at a new total of \$270 million. Further financial assistance to Nigeria from the World Bank came on June 22, 2017 when it approved the sum of \$961 million to assist the country’s Economic Recovery Growth Plan (ERGP). The ERGP is a homegrown strategy deliberately fashioned out to restore and grow the domestic economy by directing more resources and energy to the non-oil sector. The World Bank through its Country Representative on October 27, 2017 announced that it has earmarked the sum of \$520 million to 23 Nigerian states for rural infrastructural development and agriculture. On 8<sup>th</sup> January, 2020 the sum of \$364 million was given to Nigeria by the World Bank as a further assistance to purchase malaria drugs and kick polio out of the country (Vanguard Newspaper, 2017; p.1; Core TV News, October 27, 2017; World Bank, 2020).

Further financial assistance was made to Nigeria on 29<sup>th</sup> April, 2020 by the World Bank where it granted the country the sum of \$43.41 billion ‘World Bank Performance Grant’ which was disbursed to 24 states as an emergency fund to fight COVID 19. More grants in the sum of \$346 million was made to Nigeria and others by the World Bank on 28<sup>th</sup> May, 2020 for the Lake Chad region (Lagos: Channels TV News, 10.00pm). Another \$750 million loan was approved for Nigeria to boost the power sector on 24<sup>th</sup> June, 2020 (TV News 10.00pm Wednesday June 24, 2020).

Therefore, summary of the World Bank’s financial commitment to Nigeria in the eleven sectors/areas between 2000 and 2020 are as depicted by the statistics in Table 4 and the graph in Figures 9 and 10 below:

**Table 4: Summary of the World Bank’s Financial Commitment to Nigeria in Twelve Sectors/Areas between 2000 and 2020**

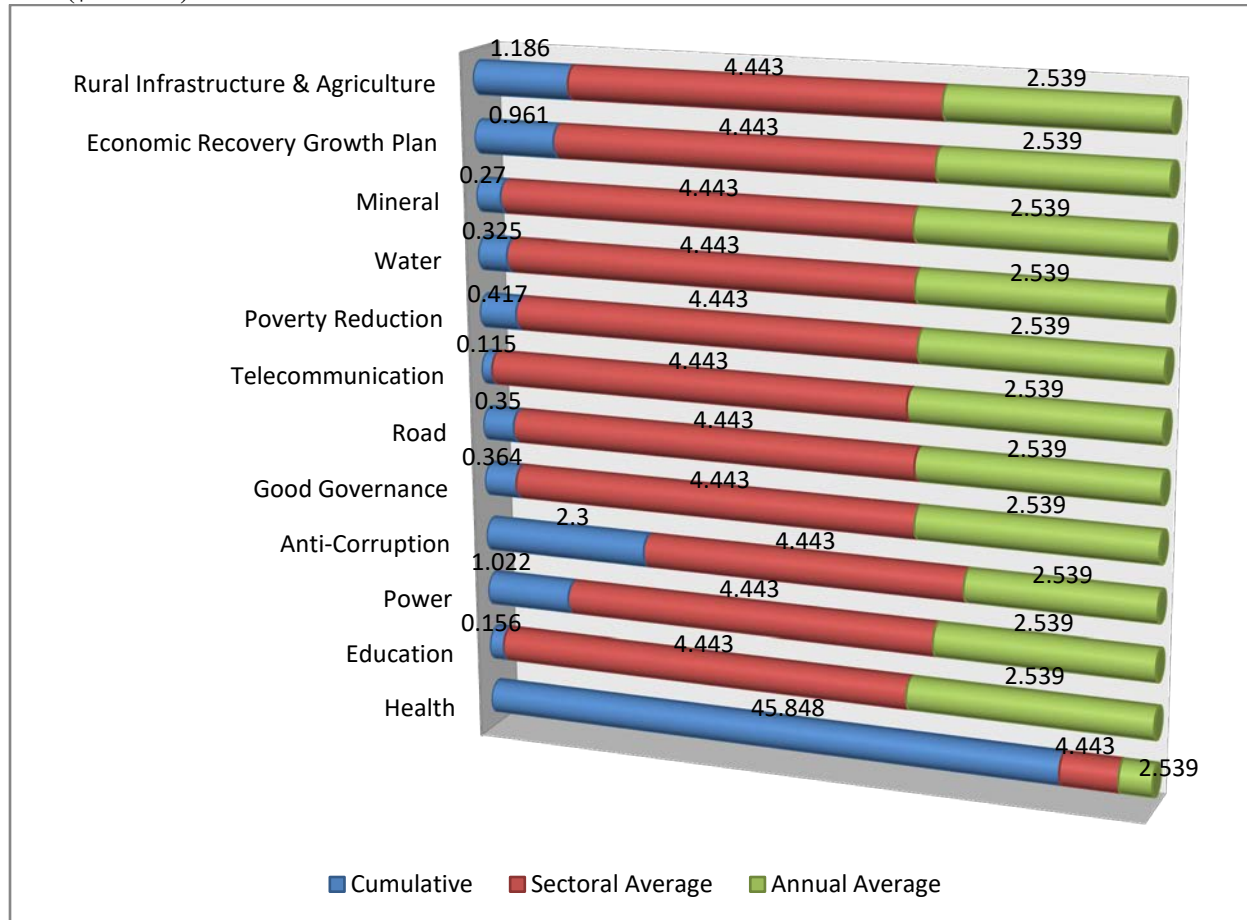
S/No.	Sectors	Amount	S/Average	A/Average	Percentage
1.	Health	\$45.848bn	\$4.443bn	\$2.539bn	82%
2.	Education	\$0.156bn	\$4.443bn	\$2.539bn	0.3%
3.	Power	\$1.022bn	\$4.443bn	\$2.539bn	1.9%
4.	Anti-Corruption	\$2.300bn	\$4.443bn	\$2.539bn	4.4%
5.	Good Governance	\$0.364bn	\$4.443bn	\$2.539bn	0.7%
6.	Road	\$0.350bn	\$4.443bn	\$2.539bn	0.7%
7.	Telecommunication	\$0.115bn	\$4.443bn	\$2.539bn	0.2%
8.	Poverty Reduction	\$0.417bn	\$4.443bn	\$2.539bn	0.8%



9.	Water	\$0.325bn	\$4.443bn	\$2.539bn	0.6%
10.	Mineral	\$0.270bn	\$4.443bn	\$2.539bn	0.5%
11.	Economic Recovery Global Plan	\$0.961bn	\$4.443bn	\$2.539bn	1.8%
12.	Rural Infrastructure & Agriculture	\$1.186bn	\$4.443bn	\$2.539bn	2%
	<b>Total</b>	<b>\$53.314bn</b>	<b>\$53.314bn</b>	<b>\$30.468bn</b>	<b>100%</b>

Source: Generated by the Researcher in 2020 as adapted World Bank Report of 2013; World Bank, 2017, 2018, Liberty TV, 2017, Vanguard Newspaper, 2017; p.1; Core TV News, October 27, 2017, World Bank, 2020

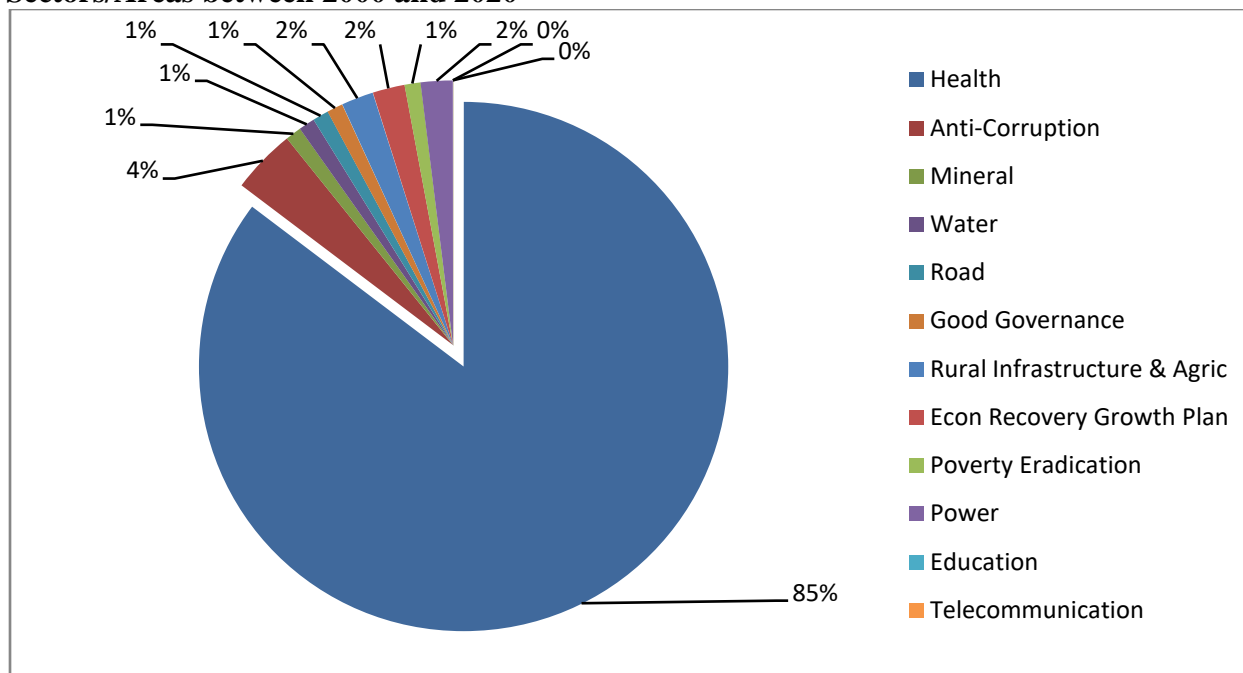
**Figure 9:**  
**Summary of the World Bank’s Financial Commitment to Nigeria in Twelve Sectors/Areas between 2000 and 2020 (\$ Billions)**



Source: Generated by the Researcher in 2020 as adapted from World Bank Report of 2013; World Bank, 2017, 2018, Liberty TV, 2017, Vanguard Newspaper, 2017; p.1; Core TV News, October 27, 2017, World Bank, 2020



**Figure 10:**  
**Percentage Summary of the World Bank’s Financial Commitment to Nigeria in Twelve Sectors/Areas between 2000 and 2020**



Source: Generated by the Researcher in 2020 as adapted World Bank Report of 2013; World Bank, 2017, 2018, Liberty TV, 2017, Vanguard Newspaper, 2017; p.1; Core TV News, October 27, 2017

### SUMMARY OF FINDINGS

From the analysis so far, the following findings have been made:

1. The study has established that large chunk of the World Bank assistance and grants was tilted more in the Health sector more especially in curbing the COVID 19 pandemic.
2. The study has established that successive political leaderships of the Fourth Republic have failed to direct all their requests to the World Bank for boosting the industrial/manufacturing sector/sub-sector of the economy.
3. The study has also established that Nigerian governments of the Fourth Republic failed to solicit and direct the assistance from the World Bank’s experts towards industrialization and manufacturing that would have groomed indigenous experts.
4. The study further established that loans and aids from the World Bank for developmental purposes; were not judiciously disbursed to the relevant sectors under due process.

### CONCLUSION

From the analysis so far, conclusion can be drawn that Nigeria in her engagement with the World Bank, has benefited tremendously in terms of financial assistance and infrastructural development projects (totaling \$9.172 billion) as well as technical/expert advice in the Fourth Republic. The study has established that the apex global Bank was instrumental in assisting Nigeria for obtaining the \$18 billion debt relief from her international creditors. It has however been observed that all these financial benefits flowing from the World Bank to Nigeria have not been directed towards industrialization and manufacturing that would have aided the country in

expanding its foreign revenue sources through the manufacture and export of unique products in which she has comparative competitive advantage in the international market. This would have moved the country towards the Nigerian Industrial Revolution Plan's of "Zero Oil Policy" of the Federal Ministry of Industry, Trade and Investment. It would have equally reduced the World Bank's burden of assisting a hitherto very rich oil country.

### RECOMMENDATIONS

At the end of the analysis and from the conclusion drawn, the following recommendations are made towards making the best use of all aids and loans from the World Bank:

1. Nigeria's political leadership should utilize the huge grants of the health sector for research work that will speedily develop a vaccine for the COVID 19 and other associated dangerous viral diseases.
2. The political leadership should henceforth direct all their requests to the World Bank for boosting the industrial/manufacturing sector/sub-sector of the economy. This is based on the fact that massive Oil & Gas income can conveniently take care of all our infrastructural problems. Whereas, proceeds from the industrial and manufacturing sectors/sub-sectors will serve as safety valves for tackling the challenges of; poverty, diseases and illiteracy in the country; as well as generally grow the economy.
3. Nigerian government should solicit for experts from the World Bank on industrialization and manufacturing to be posted to the country to assist our local engineers, scientists and technologists to develop and improve on our local content industrialization and manufacturing. These indigenous professionals will understudy their foreign counterparts; which with time will bring about a purely homegrown industrialization.
4. All loans and aids from the World Bank for developmental purposes should be judiciously disbursed to the relevant sectors under due process. This is to ensure transparency and accountability in the utilization of such funds.

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