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International Trade and Imperial Precursors: The Evolution of a New Nigerian Economy in the 19th and 20th Centuries

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Abstract Capitalism has perpetuated class antagonism which breeds dissatisfaction amongst people in a bid to seek equality and justice in the distribution of power and economic resources. This study analyses International Trade and Imperial Precursors into the New Nigerian Economy in the 19th and 20th Century. Using data generated from secondary sources and descriptive analysis, it has been realized that the Nigerian economic elite play negative role in the economic dependency processes of the country. Finding also reveals that, Government policies in Nigeria are foreign oriented in nature, therefore, favoring foreign western economies at the detriment of Nigerian interest. The study conclude that there is a need to channel our energies to producing for internal needs and consumptions but these calls for a change in the values of principle of the indigenes, there are far too many acts of indiscipline and self–indulgence on the part of the generality of our people in all the starter of our society.

Introduction

Africa is replete with political instabilities; authoritarian leadership, military coups and forceful regime change all of which had also undermined effort at transforming the region. Of the countries ranked in the 2015 failed states index by the Fund for Peace, three Sub Saharan African countries: South Sudan, Somalia and the Central African Republic appeared first, second and third respectively. African countries as against the giant stride at common currency convergence among the EU countries, African countries don't accept their currencies but the US Dollars, yet they lament poor treatment at the WTO. How can they compete favorably in trade? The largest concentration of Least Developed Countries (LDCs) is found in sub Saharan Africa. Of the 48 countries listed by the United Nations Conference on Trade and Development (UNCTAD) as Least Developed Countries, 33 are in Sub-Saharan Africa representing 69 percent of Sub-Saharan Africa falling into this category. According to the World Bank the economies of Sub-Saharan Africa are majorly primary-produce oriented with only ten of the economies agricultural sectors contributing less than 20 percent to the GDP (9). For most of the countries of Sub-Saharan Africa, manufacturing contributes less than the 13 percent weighted average share of this sector in the GDP of low income economies (China and India excluded) as classified by the World Bank (Acheoah, 2018; Azeez, 2010).

The economic consequence of colonial capitalist state formation in Sub-Saharan Africa was that it inverted the process of state, society and economic development untypical of the western mold. How? The western capitalist states thus emerged as authoritative institutions established by the dominant capitalist class to protect their privileges. These emergent capitalists needed a state that protects rationalizes their economic interests. This helps one to appreciate why the states are stronger in Europe, being created by business men who needed authoritative superstructure institutions to sustain and protect their privileges, and weaker in Africa. The economic mode produced the states system, thus a capitalist state will protect private property rights as well as right to inheritance (Abdulyakeen, 2020; Adejumobi, 1995).

The irony of African case is that there were no capitalist, industrialists or bourgeoisie in the western mold to drive the system that was transported to the region (Ajom, 2006; Chinonye, 2007). African bourgeoisie were petty middlemen, and those who have embezzled state funds and converted state properties from the strict sense of it. Majority of African billionaires, if properly investigated, will found their wealth traced to public funds misappropriated at one time or the other. This trend has not changed among African political and business classes. Privatization in the African parlance has been skewed to a very fraudulent policy where those in government who want to acquire state properties they could not have bought while in government, now decided to acquire those assets after leaving service with the funds stolen while in government. This practice characterizes the Nigerian privatization policy in the early 21st century in which state investments were sold to friends and cronies with no new wealth coming into the system.

As there were neither capitalists nor industrialists when capitalist mode of production was introduced to Sub Saharan Africa, the economies of sub-Saharan Africa became an appendage of the metropolises; the economies became planned, structured to meet the needs of the metropolitan industries for raw materials. This colonial economic structure still remains as virtually all countries of the Sub Saharan Africa remain primary producers, surviving on raw materials and mineral resources. It was against this background that decolonization began after World War II in wat came to be described as the third wave of decolonization. Consequently, this historical antecedent had fundamental impact on post-colonial African state in three different ways:

i) It created a dichotomy between the economy and the society. This implied that the economy of post-colonial Africa were not offshoot of their society, it is disarticulated from the societies and polities;

ii) A transformed social-economic system imposed on people who missed the proper transitional phases leading to capitalist state formation. This inverted the process of capitalist state formation in the ideal mold of the western capitalist society;
iii) In Africa there were no capitalist privileges as it were and those managing the economy had no stake in the economy, an unproductive ruling class to whom economic productivity becomes an anathema, embezzlement of public funds becomes the norms and above all the absence of a developmental regimes as those who don't know what to do with political powers beyond primitive accumulations took the stage of governance and African states took the character of hijacked entities (Ake, 1996; Ferguson, 2006; Maasdorp, 2016).

The implication of this is that by the 1960s, the decade of decolonization, while there were democracy, liberalism in principle not in practice, there were no middle class and social cohesion to sustain democracy, consequently conflicts, civil wars, coups and forceful changes of regimes became a common phenomenon in Post-colonial African states (Thomson, 2010; Abdulyakeen, 2021).

The atomization of the African societies reflects the limited development of the productive forces especially so far as they have hampered generalization of commodity, production and exchange. The post-colonial state is unable to mediate the struggles between classes and within classes particularly the hegemonic class. The net effect of this is that politics essentially the struggle for control and use of state power becomes warfare. The causes of the crisis of underdevelopment in post-colonial Africa has since taken multi-dimensional form beyond colonial antecedents of western capitalist exploitations as ample evidence of post-colonial Asian countries that have broken out of the mold of underdevelopment in spite of their colonial past. These narratives are fundamental in spotlighting local factors that had impeded development in Sub Saharan Africa that are engineered by the indigenous people which are not compatible with development in principle and practice.

The countries that are depending on the rest are mostly poor countries of the Third World. Nigeria is a typical poor Third World country and underdeveloped that depend on the western world for decision and implementation of economic policies, thereby contributing to the economic development of the west to her own detriment. For example, (SAP) Structure Adjustment programme of 1986, National Directorate of Employment (NDE) of 1986, Petroleum Trust Fund (PTF), Poverty Alleviation Programme etc. all seems to have ended in failure after gulping in estimate material and human resources, funded with loan and the associated interest (Anyanwu, 1998; Azeez, 2010).

Since the economic structure is disarticulated, being the main structure, the foundation on which raise the political super structure, and which controls both the intellectual and material production, the implication is the underdevelopment of the entire society. The state of underdevelopment of the entire society raises serious alarm in whole Third World countries and the international community. Historically, most of the Third World countries suffering dependency passed common rigorous stages of development from slavery to colonialism/imperialism, and to the contemporary globalization. What distinguished one stage from the other was the intensification of the rate of suppression and exploitation mounted on the poor Third World countries by the economically developed west (Rodney, 1973).

While slavery is no longer so fashionable and legal today, America is still getting a good chunk of its human capital from external sources, this time through an ingenious invention known as the "visa lottery system". The American visa lottery system has simply taken advantage of., first, the gullibility of Africans and, second, the inhospitable environment in their domestic economies resulting from bad governance, both of which force young, and not-so-young, persons to seek greener pastures in America to work as "free slaves". Whether we like it or not, the American visa "lottery system" is an excellent piece of strategic plan. In fact, I wish the government of my country was that ingenious.

Contemporary imperialism is full of such subtleties which African government must be conscious of and guard against if we must survive in our relations with the hegemonic powers. This paper seeks to expose and underline the illusion of one seemingly innocuous concept that is being used by the imperial powers today to maintain their global hegemony and dominance. Unfortunately, however, the ideological and strategic potency of that concept has eluded the consciousness of many people, even in intellectual circles. This point is that, besides outright wars of occupation, annexations and gun-boat diplomacy that are usually associated with imperialism, there are also several subtle, in fact, sometimes apparently altruistic, measures that Euro-American powers currently deploy to ensure and sustain their continued subjugation, domination and exploitation of the Third World countries.

According to President Umaru Yar'adua: Nigerian market is big enough to sustain the domestic industrial sector if the nation looks inwards at their local products. Many industries have to close shops due to lack of patronage of local products by Nigerians just as he urged the organized private sector to demonstrate a high sense of consumer patronage by following the footstep of government (Daily Champion, October 27, 2009).

Former minister of commerce and industry (Daily Champion October 27, 2009) chief Achike Udenwa in his own speech said "the buy – made – in – Nigeria product campaign was in line with three basic element of increasing productivity, decreasing import and enhancing export".

The study of this nature is expected to improve the performance of government in making decisions that will enhance economic development. It will also pave way for other African leaders to have democratic consciousness in implementing and executing laws which will be of utmost benefit to all. This work, prescribes how to manage the nations resources, for the benefit of the general citizens, and this will determine the relevance of the existing government policies. In the light of the consideration, the purpose of this work is to identify the historical forces which has generated economic underdevelopment and continues to reproduce itself till today. This history of economic underdevelopment will be traced from the period of colonization to the present time.

Objectives of the study

It is the aim of this study to examine International trade and Imperial Precursors into the New Nigerian Economy in the 19th and 20th Centuries. Specifically:

i) It will investigate the major cause of Imperial Precursors into the New Nigerian Economy in the 19th and 20th Century.
ii) Discover the impact or the role Nigerian economic elite with the Imperial Precursors into the New Nigerian Economy in the 19th and 20th Century.
iii) Examine the role of Multinationals into the New Nigerian Economy in the 19th and 20th Century.

The pre-colonial political economy of Nigeria

Prior to British institution, Nigeria had developed to a certain extent, some of the towns had grown into urban areas existed in some areas of the Yoruba land. A few Yoruba towns had population of between 20,000 and 70,000 at that time and they all settled at Ibadan, Abeokuta, Oshogbo, Ogbomosho, Ife and Oyo. In northern Nigeria we have urban centers in Kano, Zaria, and Kastina, borne etc. These urban centers arose because of the increase in the production above the local population.

According to Hayford (1972) "before even the British came into relations with our people, we were developed people, having our own institution, having our own of ideas of government". The urban areas serve as a meeting point where surplus food was sold in exchange of other product like clothes, craftwork, iron etc. In the pre-colonial Nigeria society, most of the items of consumption were created form local resources, cotton was grown locally and was collected, spun, hard wove and dyed with colors' obtain from local plants. The equipment's for producing clothes were made of local woods. Iron was mined and used in making hoes, rods and spears. During the Nok culture, iron was smelted around nook, on Jos, plateau, and at Daima in Bornu state around 500 B.C. By the 4th century A.D producing technique has spread throughout the country. Iron was obtained by digging lumps of iron stone of shallow pits and quires, heating it over an open fire, pounding, washing, and smelting in kilns or furnaces, it was sold to smiths who produced not only rough iron but budded or forged steel. Iron manufacturing industries existed in various areas, including the famous ones at Awka, Bida, Ilorin and Ijebu ode.

Different types of minerals like salt, gold, etc. were mined locally. Also, there was a well-developed glass manufacturing industry at Bida and Bida again had a prosperous bead-manufacturing industries as well as brass and copper industries. The pre-colonial Nigeria society was self-sufficient in both human and natural resources, the food they ate were collected locally and they were of high nutritious content. Where some of their needs were lacking, they sought for another means of providing it. Africans showed great ingenuity in providing against deficiencies in diet, where ordinary salt was hard to produce, nearby supplies of calcium are prepared from plant tissues or part of it in Rhodesian and Kenya from the ashes of reeds, and in Nigeria from the Baobab tree and investigation of the food habits in the different areas of the colonies of French west Africa shows a considerable variety in dietary, in accordance with cola supplies and customs (Soederberg, 2004).

Among the plant products used for food were palm oil, palm kernels, palm wine, Shea butter, and wild animals. Dried grasses and palm leaves were used in building houses, windows and doors were made from local woods which were obtained mainly from southern Nigeria, pottery and mat making were practiced, plates and some cooking material where made from clay, Benin, Oyo and they were famous in carvings and partings, they preferred ivory, terracotta and bronze sculptors.

In the North, there was a highly developed system of industry among which there were the smiting and tinning industries, there was also a cloth industry resulting from the production of cotton, hides from animals etc. The other varieties of industries include leather making, dying of cloth material etc. It was this development that turned raw into the Manchester of West Africa by the 1850's. Trading was concentrated in markets situated within the cities and vulgar of their areas, there was external trade–the Trans Saharan trade–of which Kano was famous for. Camels and horses were used in trans-Saharan trade (Ekpo, Egwaikhide, 1994).

Nigerian exports at this time were essentially the excess of products consumed locally. Manufactured knives, cutlasses and hoes were used in farming. In many parts of the country, root crop like yam, cassava and cocoyam were cultivated in large quantity, but also an away of secondary crops were produced, including legumes, cereals, bush and tree fruits, varieties of beans, maize, groundnuts, banana, palms and wild vegetables were also collected from the surrounding bush. They include green leafy vegetables as well as palm oil and palm wine. Animals like goats, dogs, and chicken were dominated and occasionally killed for food. All these show a great mark of self-sufficient, thus in pre-colonial Nigeria, just as consumption was never divorced from the uses of local resources, it was never divorced from the needs of the local population. These things could have been better if they had been improved upon instead of abandoning them completely; it is from the uses and refinement of these local resources that development starts. The present economic underdevelopment which the country is facing could have been a thing of the past if there materials were improved upon (Soederberg, 2004).

But with the arrival of European, the pre-colonial Nigerian self-sufficiency was shattered and disorganized. This disorganization of the Nigeria pre-colonial economy marked the beginning of her underdevelopment. This underdevelopment which was started by slavery was instigated by the shortage of labor in Europe. The indigenes that were used in the plantations were unfit for the job because of excessive toiling, Starvation and disease, so the Europeans turned their attention to Africa for shares.

Rodney (1972) states: "The arrival of the Portuguese in West Africa, shortly before the middle of the fifteenth century, they started seizing Africans and taking them to work as slaves in Europe. Especially in Portuguese and Spain. The countries raided including Senegal, Liberia, the Ivory Coast, Ghana and Nigeria''.

According to the famous Historian Dr. Web Dubois (1958) Africa lost about 100 million of the youngest and the strongest people during that period.

The raid for shares brought about constant intertribal wars in Nigeria, this loss through wars and slavery alone seriously hampered the development of the productive forces of the African continent in general and Nigeria in particular. This slave trade was clearly a form of large scale export of potential economic surplus from Nigeria and other African countries. The labor power of the slaves carried away representing so much unpaid labor of exploitation. Moreover, since slavery represented not just forced labor but the appropriation of the human person as another person's property, this savage form of exploitation include the appropriation of the potential surplus of the unborn, the actual disruption of production during the slave raid and resulting in depopulation of Nigeria and other African countries. The slave trade disrupted production relations and crippled the domestic labor force of their countries, they contributed to the loss of potential surplus. Both losses the gain to the imperialists and the curs to the Africans contributed vital component of the surplus which could have been used for capital accumulation by Nigeria.

The slave trade which facilitated the primary accumulation of capital in Europe was disastrous to development in Nigeria, depriving the latter of the strongest and able-bodied part of its population. This resulted in the stagnation of Nigeria productive forces at a low level. Meanwhile, the plunder of Nigeria's natural resources and the slave trade heaped to accelerate European economic development. It was the profit that was accumulated during the slave trade that was used in industrializing Europe. The capital that was invented in the 19th century commence was part of the capital that had been derived from the slave trade. When the slave trade was abolished the European entrepreneurs who raided Africans in general and Nigeria in particular turned to importing Africans agricultural products and establishing industries in their respective countries, for example Iloydi, the great insurance underwriting and banking house, falls into this category having been nourished by the profit from the slave territories of west indies in the 17th and 18th centuries, and the ubiquitous Barclays bank (union bank) had its antecedents in slave trading. Worms had strong links with the French slave trade and it grew to become one of the most powerful financial houses dealing with the French empire in Africa and Asia, with particular concentration on Madagascar and Indian oceans, the capital at disposal of the big French trading firm CFAO and SCOA could also be traded in the same way (Roodney, 1973; Uniamikigbo, 2006).

With the abolishment of the slave trade, the European human traders now turned their eyes to direct colonization with the consequent exploitation of the material resources in the name of legitimate trade. Having established industries and factories with the profits from slavery, the colonial lords now sought for another way to maintain these industries. This time the European industries needed raw materials for production. This led to the founding of colonies and direct colonization of the African territories. The motives for colonizing Nigeria include the search for a cheap and steady supply of raw materials for British factories. The raw materials sought included cotton for the British products, palm oil, kernel for soap and margarine, groundnuts for manufactured oil, hides and skins for leather products, timber for furniture, as well as tin, coal etc.

The colonial capitalism was only interested in the needs of the metropolitan industries. They needed raw materials which went into the production of goods in Europe, because of this, they went all out to encourage the production of raw material while at the same time discouraging the production of some other commodities needed by the nature inhabitants, the production of commodities like cotton, rubber, groundnut, palm oil were encouraged because they were badly needed by the metropolitan industries, the colonialists decided what crop were needed in the European countries and if they were already produced in Nigeria. They encouraged increased production. If the condition weren't favorable, they introduced them from outside. For example, the development of soap industry in Britain required vegetable oil such as palm oil, palm kernel and groundnut oil. Since palm oil was introduced as one of the belts its production in southern Nigeria was accelerated. Similarly increased output of groundnut, the source of groundnut oil was promoted, there were Lux soap factories in Britain and other soap factories in Europe. This lead to the distortion of the production process of the pre-colonial society. The colonialist made the inhabitants to abandon their system of production while the capitalist mode of production was upheld. Sometimes the colonial capitalism used persuasion or forces to compel the concentration of effort on the production of particular export crops (Gunder, 1967; Donimode, 1983; Norton, 1983).

The most significant consequences of colonialism in social and economic progress in Nigeria lay in the impact on the production system. It replaced the subsistence economics of the pre-colonial societies with a capitalist one motivated and dominated by foreign private capital and responding to and serving the needs of this external capital rather than the needs of local population, by so doing, it caused a sharp and dramatic break with the past history of the Nigerian people and altered the dynamics and directions of their future. It charted a new historical course for the people and hardly any link was created between these two historical processes, particularly their economic system (Oyejide, 1986). The nature inhabitants cost their traditional method of production and were forced to take the capitalist system which was entirely new to them. This new production method was called cam crop production which means that it was only geared to the accumulation of cash crops were established all over the country. For example, in 1939 the Nigerian colonial government established an oil palm research in Benin, between 1912 and 1916 more plantations were built. In 1923 agricultural experimental stations were built in Zaria and Umuahia (Nnoli, 1981).

As there cash crop centres were established, the pre-colonial mode of production was abolished and any of these products which did not meet the export requirement of the colonialist where abolished. An example, citrus fruits which did not go beyond consumption were abandoned. The colonial government even promoted new colonial economic activities at the expense of the pre-colonial ones; this was more glaring on the import side. The British governments set out to destroy all local substitutes or competitors for imported goods. It restricted locally competitive manufacturers, particularly cotton goods, where industry was very highly developed in Nigeria. This was to avoid local industries competing with metropolitan industries, if this was allowed, the industries would fold up as there could be no market for these products. To avoid this, they set out discouraging the local industries from production, assumption colonies are not, however, identified with the metropolitan power in every aspect. They are not for instance encouraged to manufacture there raw material on the spot (except perhaps to the first stage of processing, preparing semi-manufactured products) since doing so they would enter into competition with the industry of the metropolitan power. They are, in fact, denied the right of developing the kind of economy which the metropolitan power enjoys. Their relation to the mother country is one of inferiority, and any progress in education or self-government which would give them anything like political equality is logically deprecated, since the economy ascendancy of the metropolitan power would be thereby threatened (Okoye, Asumugha, Okezie, & Onyenweaku, 2008; Michel, 2003).

In some cases distractions of the colony's resources entailed some investment in infrastructures development: rods, water resources, railways, electrical power and administrative structures. Following the capitalist rationality of minimum input for maximum output, they invested only in what they had to, where they had to not surprisingly the place in which colonialism fostered some development were in places which were convenient collecting center's for commodities could be shipped abroad, to Lagos, Mombasa and dares salaam, places were climate was to the taste of the Europeans and could be used as administrative headquarter, such as Nairobi. In order to facilitate the transportation of their raw materials, the colonial masters built infrastructures from the producing areas to the coast, in Nigeria the Kano-Apapa railway line was built to facilitate the collection of cotton, groundnuts and cocoa for export and the Enugu-Port Harcourt line was built to serve the oil palm trade.

The colonialist also built both metallic highways and dusty laterites tracks to facilitate both administrative communication and the movement of goods and services. Telegraphs and postal services were built. Ports were dredged in Lagos and Port Harcourt for the shipment of raw materials (Nnoli, 1981).

Furthermore, they built urban centers for the coordination and effective administration of the country. But these urban centers were built on places that provided raw materials. For example, Enugu was built because of it coal deposits, Port Harcourt and Lagos coasts for the shipment of raw material to the metro poles, Kano for the production of groundnut and cotton materials etc. The pre-colonial urban centers which were neither sources of raw materials, nor sources for shipment to the metro pole were left to wither away. For instance, Ogbomosho, which in 1911 was the second largest city in Nigeria, stagnated for more than 30 years because the railway was routed through Oshogbo. Abeokuta, a famous Yoruba city, was feel traveling by Lagos and Ibadan in part because of its location mid-way between this two larger colonial centers. Kaduna rather Zaria or Kano became the northern governmental headquarters out of Lord Lugard personal wish, as well as because of its central location. The famous northern centers of Sokoto, Kastina have deteriorated in importance of their unfavorable location in the colonial scheme of things, these urban centres formed the rail centers from were monopoly capital penetrated all geographical areas of the country and all aspect of the country and all aspect of social economic and political life, simultaneously, they provide the necessary link between activities within the colony and their centers of organizations, manipulation and control in the metropolitan country, the limited structure changes which took place at this time occurred in their endures or areas close to them (Komolafe, 1996).

To make these urban centers attractive, many facilities where concentrated there. There were wage, employment, small scale businesses, hospitals, electricity, water supply etc. They attracted many people to the urban centers. Many people migrated from the rural areas to their urban centers. But this migration was enhanced by the introduction of taxation and forced labour.

In order for the colonialists to monitor these urban areas effectively, people were either persuaded or forced to go and work in these enclaves. In order to make it compulsory for all able bodied men to work, they introduced taxation which is totally alien to the people especially those from the southern part of Nigeria. The pole tax or hut tax is almost universal in tropical Africa except in British West African colonies where production of crops for sale make it unnecessary. Often the tax payer, farming solely for subsistence, cannot meet the obligation from his holding, since there is no larger local market, unless he is near a neighboring town. A money tax means that contacts must be made with a money economy.

The pattern of exploration and colonization is followed by monetization. This was to enhance the integration of the pre-colonial economy into the capitalist economy because without this monetization integration could not have been possible. Before colonialism, different kinds of money was in use in the country, among these were the cowries, copper rods, iron etc. They were used for exchange in some areas where trade by barter existed in others. The arrival of the Europeans changed these pre-colonial currencies. The colonialists supplied their own currencies thorough the European firms trading in the country. In the 17th and 18th centuries, the trading in the companies made in roads deep into Africa. In the 1660's, the English African company minted a "guinea" with an elephant and castle soon to be imitated by the crown and become a world famous coin. In 1796 the first issues of the English African company gold ACKEY and silver TAKOE (now in the museum of Accra) were made, these European currencies accelerated the decline of the pre-colonial currencies that before the third quarter of the 19th century the European currency had assumed dominance in trade (Nwankwo, 2001; Ojiako, Asumugha, Ezedinma & Uzokwe, 2007).

This monetization brought about the wage labour which was often by force. The expansion of the wage labour also facilitated the control of the economy. By means of such control, the colonial monetary policy became an integral part of the mechanism by which the goals of the monetary policies of the metro pole were achieved. This control structured the colonial economy to serve the interests of the metro pole at the expense of the colony. This monetization led to rigid system of exchange control with its consequences for elite trading and distortions of the economy, the monetization of the economy brought about trade between the colony and the metro pole, this trade help capitalism to penetrate deeper into Nigeria in search of raw material, in this way, the control of the nation's economy began because they dictated what was to be produced, when and how the products were exported, the metro pole for use in the industries. This integration made Nigeria to enter into the world market before they would develop the local market. In fact, the international market should develop before a society enters the world market. This is in order to absorb the local goods, but the reverse is the case in the colonial Nigerian society. This immature trade with the metro pole made Nigeria to specialize in the production of primary products while manufactured goods are imported from outside. Trade created interdependence through complementarity by encouraging specialization in the primary production of raw materials needed by the metro pole While the metro pole specialized in manufactures, this specialization was not simple one of 'commodities' produced; it was also reflected in the division of labor (Roodney, 1973; Badmus, 2002).

The money realized by the countries in this trade was used to buy manufactured goods from the metro pole. So, the quantity of manufactured goods purchased by the natives depended on the quantity of raw materials thereby enhancing the specialization. The most unfortunate thing is that the colonial masters determine the prices of both the primary products produced by the natives and the manufactured goods imported from the metro pole. This made development impossible with its consequent dependence on the metropolitan economies.

The post-colonial political economy of Nigeria

With the growing insurance of industries in the metropolitan countries, as a result of profits accumulated from slavery and the blundering of Africa resources, the colonialist now export these profits to the developing countries by way of investments. The capital that was invested in colonial Africa in later years was a continuation of the colonial capital of the 10^{th} century, along with new influences from the metropolises. If one enquired closely into the origins of the supposedly new sources, quite a few would have been connected very closely to previous exploitation of non-European people. However, it is not necessary to prove that every firm trading in Africa had a first hand or second hand connection with the European shares trade and with earlier exploitation of the continent. It is enough to remember that Europe's greatest source of primary capital accumulation was overseas and profit from Africa continually outran the capital invested in the colonies.

With the granting of political independence to Nigeria in 1960, the direct control of the national apparatus ended but economic control still persists. In other words, Nigeria achieved political independence but not economic independence. This inability to achieve economic independence intensifies its dependency with the consequent persistence of underdevelopment. The comprador bourgeoisie is who took over political power from the colonists, opened the door to foreign investments in order to satisfy their hunt for economic power. With this door open then came investment galore. What the Europeans took away as profits during the colonial period came back now as capital to enhance further accumulation of profits. This time with the national bourgeoisie. State policy protected and subsidized industrial investment by protective tariffs, tariffs rebates on imported machinery, tax holidays and the provision of services and industrial estates, the states control the allocation of profitable opportunities which would be used to create protected riches for its clients and enable the Nigerian bourgeoisie to share in the spoils of the economy, and accumulate capital. These investors came as banks, insurance, construction, oil and communication companies. For example, in the banking field we United Bank of Africa (UBA) or Barclays bank (union bank). Under insurance we have American international insurance company, royal exchange Assurance Company and British American insurance company. Under construction we have Julius Berger, Capper and Delberto, and Wimpey, Dumez. In oil industry we have Shell, Mobil, Argip, and Elf. In communication we have the ITT, Erickson, and Siemens (Nwankwo, 2001; Roodney, 1980; Ake, 1996).

All these and the host of others swum into the country trying to favor the economy of Nigeria, these investments do generate backward and final demand and sometimes forward linkages, but many of these linkages stimulate production in metropolitan rather than underdeveloped economies. The comprador bourgeoisies seeing the presence of these companies all over the country feel that Nigeria is developing, but they are reckoning as part of their wealth, the very instrument of their impoverishment. These compradors sometimes abuse one another when trying to attract these investors, state governors and their respective states. Federal and state economic commissioners are having a field day in conferences and ceremonies making the launching of one new industry or the other, and sermonizing on the great profits that await those foreign and indigenous entrepreneurs who are willing to avail themselves of Nigerians traditional hospitality and her economic open door policy. Trade unions from almost every known industrial country of Europe, Asia, and America have been stampeding to win some sizeable part of the Nigerian market. For example, in March 1976, food trade missions from western capitalist's countries were in Nigeria.

i) Scottish council development and industry trade missions (14–28 march, 1976).
ii) Reyrolle Parton International (14–28 march 1976).
iii) British firm responsible for the two manual pedal organs in Yabas's Christ Apostolic church (10 march 1976).
iv) A group of 15 American corporations executors on the tour arranged by overseas private investment corporation (OPIC).
v) A united state government agency which aids American overseas businessmen 23–27 March 1976) from various ministries led by the Swedish Minister of Trade, Mr. Care Lidbom (13–20 March 1976).

To encourage the growth of a broadly based private sector, the civilian regime at the post – colonial passed a whole host of legislation highly favorable to and intent to foster foreign private investment thus by 1964 of total identified foreign investments in Nigerian estimated at N250 Million, Nigerian participation (government and private) accounted for only N54.8 million or 21.2% of the total.

Another way of looking at the same picture is to examine the ownership of the paid up capital invested in the enslaved economy. In 1963, 68.1% of such capital was owned by non-Nigerian (foreign) invests with the federal and regional governments accounting for 22.0% and Private Nigerian interests for only 9.9%. By 1965, foreign ownership had only marginally declined to 61.9%, while private Nigerian ownership increased, still now marginally by 1.2%. translated into socio–political terms, the economic strategy of the civilian regime can be interpreted by saying that the ruling class of the political and indigenous between interest exploited the essentially rural agricultural stratum to satisfy their political power objectives, they crave content to serve as agents of foreign investors, whose primary interest was the exploitation of Nigeria as a whole (Nwankwo, 2001).

Amidst urban squalor and rural poverty, Nigerian government are either reclaiming marshy land or acquiring new ones from natives for urban development and for redistribution to foreign firms and their local agents. In the land of urban squalor and rural poverty where rural and urban taps scarcely run and where urban utilities never serve the public. Where amputees and other roving social rejects abound where the common table sought and various local stables have intermittently become very scarce commodities. The national government have obdurately been erecting plush, hotels and holiday resort without the people's mandate.

The post-colonial Nigerian economy is characterized by trading with the metropolitan countries, the bulk of our export go to the former colonizing power and the western allies. This trade boom was enhanced by the discovery of oil in Nigeria. Many indigenes including retired civil servants, intellectuals all took to the import and export business. Foreign companies like SCOA, CFAO, Levities Patterson zucchinis etc., all indulge in this import business. They import manufactured goods from the metropolitan countries and export nothing in return except their profits. Their imports include electrical appliances, automobile spare part, and wearing apparels. Nigeria was therefore a centre for depositing consumer goods in collecting raw materials, paying little and earning popular justification. In addition, public funds are used to establish import substitution industries for the private interest bourgeoisie (Ekande, 2014).

The multinationals (MNCS) and their agents the compradors invest in the business that would yield only quick returns. They don't invest in the production goods that will boost the economy. This had brought about the glorifications of beer industries all over the country. These unproductive industries are detrimental to the economy of the nation since they contribute nothing to the economy. There are so many of these industries in Nigeria especially the import substitution industries which contribute to nothing except draining the economy of Nigeria. These only satisfy the interest of the comprador bourgeoisies and their partners. Decolonization pave way for the capitalist development in Nigeria but the development of capitalism consolidated rather than undermined foreign economic domination. It depends on the increasing expectation of export crop farmers and restricted the development of peasant and petty commodity production. The colonial legacy of Nigeria and the present day economy of the nation are characterized by a lopsided dependence on the export of raw materials and the import of manufactured goods from the forms of the capitalist countries of the world. The structural imbalance in these economies resulting from this overdependence on the export of one or a few primary product makes these economies extremely vulnerable to external factors and secondly hinders their internal development.

An economy limited to the specializing in the production of a few primary products for export is by definition highly dependent. This structural imbalance and dependence on export has been responsible in the care of Nigeria and incurring a chronic trade deficit which has risen largely as a result of the declining prices of Nigerian exports. The rising prices of import from Western Europe and North America are a result of balance of trade deficit. Nigeria has been forced to finance import as well as the development programs through borrowing from foreign source like the International Monetary Fund's (IMF), the World Bank, Paris Club and this in turn has led to the increased dependence on foreign capital and foreign aids from the western government and the various multilateral creditors.

The most useful concept of dependency focuses precisely on the creation and maintenance of that sort of exploitation, that is, on the existence of a state of structural mechanism which obstructs the growth of the economy and presents its filtering down to the masses in the dependent economies, considering the opposite conditions in dominant economies.

Santos (1979) stated that dependency relates to a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more economies, and between these and the world trade, assumes the form of dependence when some countries, the dominant ones, which are the capitalist nations like America, can expand and can be self-sustaining while other countries, the dependent ones, like Nigeria, can do this only as a reflection of that expansion which can have either a negative or positive effect on this immediate development.

Global interdependence, for example, further international specialization along the lines of an international division of labor, will lead to increased dominance/dependence relationship, if the increased trade between the western countries like the United States of America and a Third World country like Nigeria worsen the terms of trade for Nigeria. Most free trade and new international division of labour proponents strongly deny that this could happen, one can however demonstrate formerly and within a basic neo-classical frame work that increased trade between United States and Nigeria will lead to worse terms of trade when the export supply curve of the south has a negative slope. The later depends primarily on so called income effect due to abundant labour supply and a production structure (Ogbimi, 2001).

Methodology

The qualitative nature of the study informed the choice of using secondary sources of data collection to achieve the objectives of the study. This documentary method of data collection is particularly useful when the task is to gather, interpret and extract valuable information so as to draw inference from the available evidence to reach a conclusion. The study collected data from books, journals, magazines newspapers and other documents relevant to the subject under investigation. The qualitative-descriptive method was adopted as a method of data analysis. This method involves analyzing the contents from secondary sources and drawing logical inference.

The Nexus between International Trade and Imperial Precursors in the Evolution of a New Nigerian Economy in the 19th and 20th Century

There are different ways of showing the relationship between International trade and Imperial Precursors into the New Nigerian Economy in the 19th and 20th Century, however; the most threatening foreign aid is that form of Foreign Debt from international financial institution (IFI). The act of borrowing creates debt (Anyanwu et al, 1997). Debt, therefore, refers to the resources of money in use in an organization, which is not contributed by its owners and does not in any way belong to them (Oyejide et al, 1985). It is a liability represented by a financial instrument on other formal equivalent.

When government borrows, the debt is a public debt. That is, debt incurred by the government through borrowing in the domestic and international markets in order to finance domestic development. Hence, public debt implies all the claims against the government held by the private sector of the economy or by foreign bodies, whether interest bearing or not (including bank held debt and government currency) (Anyanwu, 1993). In broad terms, however, all kinds of obligations of a government (including the currency obligations) are included in the public debt. Such obligations include the currency, short-term debt, floating debt, and founded debt. Public debt can be internal or external; gross or net; marketable or non-marketable; short-term, medium-term or long-term; interest-bearing or non-interest bearing; and/or project or jumbo loans (Anyanwu, 1993).

Debt crisis is generally an outcome of loans or money borrowed by governments that, at last, are unable to pay back partly as a result of its ever increasing interest. Consequences of debt crisis abound which include poor funding of education, poverty, battered state of infrastructures among others. All these emanate because the money that should have been used to finance domestic development and create better opportunities for the populace only goes into servicing debt. In consequence, the government may introduce serious austerity measures including cut in salaries and allowances of workers, placing ban on certain imported essential items such as food items and drinks such as rice, stock fish, canned foods and others which invariably affect the consumption pattern of the people. Stiff tariff measures may be introduced, including payment of high import duties which will invariably make prices of imported goods surge upward. Taxes may also be increased, while subsidies on essential items such as energy and food may be removed as a way of generating internal revenue and reducing government expenditure (Abdulyakeen, 2021).

Government may be forced to place ban on employment and, in addition, workers may be retrenched, thereby swelling the unemployment market. The grand cause of the debt crisis is that, in most cases, the loan is not used for development purposes. The loan process is done in and shrouded with secrecy. The loan is mostly obtained for the personal interest and parochial purposes. It is usually tied to party politics, patronage and elevation of primordial interest rather than the promotion of national interest and overall socioeconomic development.

Many a times in Africa and Latin America, the military had seized power from legitimate governments. The emerging military regime may also be ousted in a counter-coup thereby creating a vicious circle of social somersaulting, economic backwardness and political instability. This was the case in Nigeria from 1983–1985 where the military government of General Muhammadu Buhari was ousted in a palace coup by General Ibrahim Babangida, in January 15, 1966; General Aguiyi Ironsi seized power from Abubakar Tafawa Balewa and was, in turn, ousted in July by General Yakubu Gowon in a counter coup. In Argentina, President Arturo Frondizi was overthrown by the military junta while abroad. Also, in 1966, Civilian President, Arturo Illia was overthrown by military forces supporting the leadership of General Juan Carlos. In Ghana, there was military coup in 1966 and counter coup in 1979 where General Jerry John Rawlings and others led a military uprising that removed General FWK Akuffo (Kolawole, 1997). And more recently, in 2010, February 18, military struck in Niger Republic seizing power from President Mamoudu Tandja who was alleged to be power-drunk in his bid to succeed himself and tenaciously hold on to power. External control and manipulation of the domestic economy is another by-product of debt crisis. In addition to executing the conditionalities in the host country, officials of IMF, IBRD and other western based capital institutions often invade and take over the economic policies and administrations of debtor-nations’ banking and financial systems.

Finally, due to debt burden, successive generations had to bear a scourge in the form of an uncompensated distortion of their preferred pattern of consumption, in addition to increased unemployment (due to reduced investment resulting from high interest payment) and negative effects of tax disincentive.

Manifestations of International Trade and Imperial Precursors into the New Nigerian Economy in the 20th Century

Foreign oriented policies in Nigeria a case study of SAP

The Structural Adjustment Programme (SAP) was a neoliberal economic reform initiated by the Britton Woods Institutions which are the World Bank (WB) and the International Monetary Fund (IMF). The objectives of SAP were intended to restructure and diversify the productive base of the economy and curtail dependence on oil, achieve fiscal and balance payment viability and improve efficiency through private led development. The strategies for the realization of SAP by government were through adoption of realistic exchange rate policy, devaluation, rationalization of tariff regime to aid diversification, trade and payment liberalization, commercialization and privatization of public sector enterprises among others (Danladi & Naankiel, 2016).

The collapse of most African economies in the 1980s had been variously linked to the excessive state intervention in the market, coupled with fall in global oil prices. With the inefficient public sector, many African countries including Nigeria, due to global oil glut of the 1980, lacked the financial resources and capacity to generate adequate foreign exchange earnings to provide basic services. As a result of which many African countries applied for foreign loans to finance its budgets. However, the loans were to be given upon the fulfillment of certain basic conditionality which was packaged and christened Structural Adjustment Programme (Fatton, 1992).

Nigerian economy during the first decade after independence could reasonably be described as an agricultural economy. This is seen in the words of Ogen (2003) that agriculture served as the engine of growth for the overall economy. During this period Nigeria was the world‘s second largest producer of cocoa, largest exporter of palm kernel and largest producer and exporter of palm oil. According to Alkali (1997), Nigeria was also a leading exporter of other major commodities such as cotton, groundnut, rubber and hides and skins (Lawal, 1997; Bola, 2007) also observed that agricultural sector contributed over 60% of the GDP in the 1960s and despite the reliance of Nigerian peasant farmers on traditional tools and indigenous farming methods, these farmers produced 70% of Nigeria’s exports and 95% of its food needs.

However, the agricultural sector was relegated to the background when Nigeria became an oil exporting country. This relegation was attributed to inappropriate exchange rate policy which made the prices of agricultural output too low to give farmers the incentive to produce. During this period, the Nigerian exchange rate policy tended to encourage over-valuation of the Naira which in turn, encouraged imports, discouraged non-oil export and helped in sustaining the manufacturing sector‘s over-dependence on imported inputs (Clapham, 1996; Oluwasanmi, 1966). To reverse the worsening economic fortunes in terms of declining growth, increasing unemployment, galloping inflation, high incidence of poverty, worsening balance of payment conditions, debilitating debt burden and increasing unsustainable fiscal deficits, among others. Government therefore, embarked on austerity measures in 1982 and arising from the minimal impacts of these measures, an extensive structural adjustment programme was put in place in 1986 with an emphasis on expenditure reducing and expenditure switching policies as well as using the private sector as the engine of growth of the economy via commercialization and privatization of government owned enterprises (NCEMA, 2008). The major policy thrust of this Structural Adjustment Programme (SAP) according to Williamson (1995), was a redirection from inward looking import substitution strategy to outward looking export promotion strategy and the final policy instrument was the exchange rate.

Prior to the SAP of 1986, which occasioned a switch from fixed exchange rate regime to managed floating with no predetermined path for the exchange rate, one dollar exchanged for 77 kobo. When SAP began later in the year, the dollar exchanged for 1.756 naira and the main complaint among corporate executives was that there was too much naira chasing very few United State dollars. This trend was sustained to date as a dollar exchanged for 4.016 naira in 1987, 5.35 naira in 1988, 9.93 naira in 1991, 22 naira in 1993, 21.886 naira in 1998, 132.56 naira in 2008, and 700 naira in 2022. This scenario is an evidence of the widening gap between demand for and supply of foreign exchange, which underscores the increasing economic stress which an economy and the people experience when a nation is subjected to mandatory devaluation programs as occasioned by SAP in Nigeria. The exchange rate policy objective was derived from the overall objective of macroeconomic management of achieving internal and external balance in the medium term. Internal balance means the level of economic activity consistent with the satisfactory control of inflation (Williamson, 1982), while external balance means balance of payments equilibrium or sustainable current account deficit financed on a lasting basis by expected capital inflow (Olukoshi, 1990). The Structural Adjustment Program (SAP) by its nature is inflationary because it increases the amount of the domestic currency required in exchange for a unit quantity of local goods and imports. It is also inflationary because SAP is based on the fallacy that capital is the primary basis of economic growth, which by extension implies that the mere establishment of banks in an artisan economy automatically transforms it into a monetized and advanced economy (Anyanwu, 1998).

The introduction of the neoliberal economic reform, Structural Adjustment Programme (SAP) in Africa and Nigeria in particular generated heated debates among scholars and policy makers. Apart from the nationwide debate which the then Military President of Nigeria Ibrahim B. Babangida organized to sample the opinion of Nigerians on the adoption or rejection of SAP, the effects of the potpourri of the IMF/WB conditionality which were attached to this reform had cataclysmic impact on the socio-economic and political development of Nigeria.

Foreign loan in Nigeria

Nigeria has involved itself over the years in series of loans and grants and very often, the advanced capitalist countries describe these loans as aid to the developing countries. However, empirical surveys have made it explicit that such loan does not give much benefit to the recipient. Thus, Nkrumah (1973, p. 319) has this to say:

> Aid to neo- colonial state is merely revolving credit, paid by the neo – colonial master, passing through the neo colonial state and returning to the neo– colonial master in for of increased profits.

The more foreign loans are received, the more contracts are awarded and the more expatriate businessmen penetrate and influence the domestic economy of Nigeria, they defraud the country, repatriate their ill-gotten moneys and the bank some abroad for their Nigerian collaborators.

The nature of the relationship between dependency and political corruption is actually determined by the character of the governing class. There is nothing intrinsically wrong with borrowing loan from external sources or inviting foreign experts to assist in the execution of certain projects. The fundamental problem in the Nigerian context is that the governing class relies on state power as means of enriching themselves. Thus loans obtained from international bodies like International Monetary Fund (IMF) and its twin sister the World Bank offered them more opportunities to enrich themselves, moreover, foreign collaborators and companies encouraged to operate in the country exploited the economic and technological dependence of Nigeria and the character of Nigerian governing class to plunder public wealth. Some of the custodians of the Nigerian economy aided the Nigerian leaders and businessmen to cost public treasury and then deposit their cost in foreign banks for them. Some foreign international financial institutions like the International Monetary Fund (IMF) and its twin sister the World Bank also give conditionality to countries that seek these loans like Nigeria (Adejumobi, 1995).

Singer (1978) noted that the agencies' conditionality means to ensure the efficiency of the international adjustment process to the benefit of all the agencies' membership. It also constitutes an external aspect of the contribution the agencies make towards the balance of payment (BOP). They would postulate the financing without adoption of policy measured required by conditionalities, would postpone necessary adjustment by members and run the risk of prolonging and untenable situation. At the same time, taking corrective measures without financing would render the problem of adjustment more difficult and necessary disruptive. The less developed countries, on the other hand, advocated for the modernization of the conditionalities. They argue that the IMF/World Bank do not appreciate the domestic, social and political objectives, the economic priorities and structural inflexibilities of members including the causes of the balance of payment deficit before subjecting them to the conditionalities. The loan offered by the World Bank and IMF are therefore based on the country meeting certain conditionalities. Each country that tends to borrow has its specific conditionalities spelt out for it by the creditors, the conditionalities include:

a) Reduction of government expenditure:
Through this condition, a borrowing country is advised on the reduction in the aggregate expenditures of the government, the implication of this is a reduction in the productive and distributive capacity of the government with a lowered provision of goods and services. Such measures spell great doom when applied to a developing nation like Nigeria where the state is not only the highest employer of labour but also the prior of all things. This brings out retrenchment and mass unemployment.

b) Trade liberalization:
This means dismantling of controls that have been erected, to conserve much needed foreign exchange. This requirement is a serious one to improve on a country already suffering from acute shortage of foreign exchange since it can predictably and logically be expected to worsen that situation. According to some observers, trade liberalization impedes growth of the indigenous manufacturing sector which before a certain stage of development may have difficulty in competing in the foreign owned multinationals caused by a falling domestic sales and increasing costs; a simultaneous cost-inflator and demand deflation situation arises stemming from an attempt to balance the budget by raising the price of public utility goods and services, an increase in debt sources payment arising from the foreign exchange created by trade and payment liberalization, an increased importation on non-essential goods.

c) Removal of subsidies:
The IMF and the World Bank command a stop in the subsidizing of some essential products like petroleum products. The overall effect of this could be a drastic increase in the cost of transportation and apparent difficulty in the movement of people, goods and service.

d) Devaluation of local currency:
The setting of realistic exchange rate must be seen as a corollary to the liberalization of trade IMF and the World Bank's agreement in supporting devaluation was that it was necessary to discourage imports and encourage export. The cost of import would rise and import will automatically be curbed. Secondly, the devaluation makes export cheaper which in turn stimulates demand for them in the world market. However, experience among the Third World countries has demonstrated this to be dubious argument, just because the prices of import will be restricted. This is because, first, there is lopsided character of industrial base of most less developed countries like Nigeria. These industries depend largely on imports of raw materials from the industrial nations, so the need for imports consequently remains. What is necessary to decide on, are the priorities so as to make careful use of the limited foreign exchange reserve secondly, though it is true that devaluation would make the products of these countries competitive in the world markets do these countries have that to export? Export from Nigeria would consist chiefly of primary products and flow mainly to markets in industrialized countries, since export of Third World countries are concentrated on a few products and contributes almost half of their foreign earnings; this makes them vulnerable to changes in a few commodity prices in world market. Finally, some of the principal export commodities of these countries are tied to an international commodity agreement where

quota and prices of each member are fixed. These in the final analysis create domestic inflation (Abdulyakeen, 2020; Ukeje, 2003).

e) Reduction of grants, subvention and loans to parastatals:
According to IMF/World Bank, grants, subventions and loans to parastatals increase government expenditure and encourage wastes. As an alternative, the IMF/World Bank urges the privatization of some or all the parastatals. The consequence of this is the possible break down of the overall performance of the parastatals, high cost of services rendered and these results in the lowering of the quality of life and impoverishment of the nation and its people (Jega, 2000).

The Role of International Financial Institutions in Nigeria: A Case Study of World Bank and International Monetary Fund (IMF)

Mention the word: "Breton Wood's Institution", and look around. You will notice that lot of scholars would be ready to stone you to death. Mention the institution again at any gathering of the Third World countries and you will be greeted with signs and disdarful looks. Why? This is basically because for them, the name has characterized the crisis of development presumptions and strategies. As the operational base of the world, most powerful institutions: the International Monetary Fund and her twin sister – the World Bank, Bretton wood represent different things to different countries. The Breton Wood Institutions conference of July 1st – 2nd 1994 gave birth to financial institutions known as the International Monetary Fund (IMF). The conference also drew up a plan for another financial institution known as the World Bank. This banks makes long-term international loans and guarantee loans made through other bank, it is therefore noteworthy that a nation must be a member of the IMF before it can belong to the World Bank.

The following members of the IMF/World Bank did not envisage the membership of the new nations who had nothing to contribute or offer. In the international trade, neither cocoa nor rubber could earn huge revenue as did heavy machinery, but the new nations have read between the lines of regulation of the IMF and found a source of borrowing to finance their rush in industrialization. The IMF/World Bank, in other to protect not only the funds available but also to generate mass funds through interest rates, had to adjust or altogether change some of its provision. It heads also much interest in serving the goals of capitalism. Thus, it came up with stiff considerations which apart from contradicting the original objectives of the fund also contributed indirectly to a program of under developing any nation that allows it to be roped in. Most Third World nations that have borrowed money from IMF are all telling tales of economic problems.

Nigerians romance with their financial institutions took off during the 1960's and early 70 when there was relative resource abundance with general balance of payment surplus. These "twin" (IMF and World Bank) seeing that the country did not show any serious interest lured the country into taking long term loans with favorable interest rates which was sometimes as low as two percent (2%) with grace of 3–10 years and repayment period of 10–40 years coupled with the tantalizing spices that they dangled with the loans, Nigeria took a loan amounting 1.5 billion dollars from 1970–1986. This was their avenue of tapping from petro–dollar that was flowing in the country.

However, they started showing their real nature and character from 1980–1986 when the economy buttressed one of the worst crisis in its history which reflected in social problems like high and increasing rate of unemployment, fiscal and payment imbalances, and growth of indebtedness. IMF and the World Bank have been associated with Nigerian economic independence, Nigeria's reliance on foreign assistance for her development has foisted on her dependency status and bestowed the aid, give the power of dictate or make her economic decisions as can be seen during the structural adjustment program (SAP), was a condition imposed on Nigeria by IMF before the country would be given a loan. Other measures that came with it include the demands of devaluation of currency, trade liberalization, privatization and commercialization of her public enterprises as well as the ratification of the public sector.

The international financial institution places metropolitan firms (MNCS) in a position of advantage over their local counterparts. They lobby and sometimes pressure the Nigerian government to pursue policies and adopt positions favorable to foreign corporations specifying their contracts for various constructions of projects be given to their foreign firms and offer conditions that virtually eliminate local firms from competition. The nation's construction and engineering industry is dominated by such multinational corporation like Julius Berger. These institutions have used foreign aid to infiltrate and indoctrinate the labor unions and their leaders respectively. Besides, outright bribes are often use to get the local policy makers to take positions favorable to their interests. Aid itself is a form of bribe, because if the Nigerian government do not take position at the UN and its agencies at the AU favorable to its donor nations, it is not likely to be favored with foreign aid. To buttress this fact, Daniel Moymlien, former American Ambassador to the UN successfully created a "special department within the state department to track down those countries which vote against the US interest" (Magdoff, 1972). The action by implication means that not only would such a countries not be able to get aid from the United States, but would also be denied loans from the World Bank and could be subjected to destabilization programs as a result of the United States firm control over Bretton Woods. Foreign aid accomplishes the function of preserving America's capitalism beyond the specific interest of any US corporation.

The role of Multinational Corporation in Nigeria: A case study Shell-BP

Multinational corporations (MNCS) have played a key role in Nigeria; some of the roles are negative while some are positive in nature.

Negative role of multinational corporations

Nigeria is blessed with natural human resources and we all know that when talking about oil in Nigeria, we talk about the Niger Delta which we all know is the economic back bone of Nigeria. Crude oil accounts for about 85 percent of the nation's revenue and this blessing has become a course for the people of Nigeria. Since the discovery of oil and the production in commercial quantities, in 1958, the people of Nigeria have known no peace. Today, violent, inter-tribal and inter-communal conflicts, arms proliferation, ethnic militia and illegal bunkering and exploitation have become synonymous with the region (Stiglitz, 2003).

The exploration of oil by Shell BP has affected the waters, farms, forests, fish, and caused destruction to human beings in Nigeria, led to the exploitation of Nigeria by the western capitalists with the help of the comprador bourgeoisie and oil spill in the economy.

a) Poverty and poor growth of the economy

Nigerians are highly dependent on the environment as their source of livelihood. The country has been described as one of the richest in terms of the oil and mineral resources in the world. Before the discovery of oil, Nigeria depended so much on the natural environment. The economic activities of the people were soon distorted due to the environmental degradation caused by exploration and exploitation activities of Shell. The devastating effect of the activities of Shell on these farm lands, crops, lakes made the people of Nigeria, just like the Niger Delta Region, poor.

The cost of goods and services are quite high in some oil rich regions as can be seen in Niger Delta region. For example, the cost of table water (pure water) is N10 in Port Harcourt and in other part of the country it is N5.00. This inflation and the high cost of living in the Niger Delta region is caused by the presence of the multinational companies, because their worker earn high sum of money and can afford the high cost of goods and services but this is at the detriment of the local people, causing them much poverty. The more costly the price of goods and services, the more local people are impoverished. Most painful to the people is the fact that indigenous are not being employed by the companies operating in the area and the few that are employed by the companies are given lower carder.

b) Corrupt practice of the indigenous bourgeoisie's technocrats and foreign investors

Nigeria is blessed by good and rich resources by God which we Nigerians have been using since the exploration of oil in the country. Ake (1981) captures better the predicament facing the people of Nigeria when he quoted that: "It is well known that our oil wealth has become nightmare for the people of the oil producing areas. Demand for fair treatment and environmental protection have always elevated firm's refusal, more repression and stale violence. What is not well known much worsens the nightmare has recently become". These words points at the technocrats who came into the country in the name that they want to help the nation to bring back its past glory, brought in by the bourgeoisies. When doing so, these exploration led to oil spill and bunkering of crude oil for their own betterment. Tell (2008) noted that two ships were missing in Nigeria. How could that be if not with the help of the indigenous bourgeois, the foreign investors and technocrats that the ship got lost and this was done for their own betterment and enjoyment. The funniest part of it all is that, the ship was later found empty, meaning the oil was gone. This shows that this multinational corporations (MNCS) help in sucking and liquidating our blessed natural resources given to us by God.

c) Exploitative nature of multinationals

Some multinational corporations (MNCS) are owned by the same foreign countries and they all do things that help in the developing of these economies, they promote the policies of their fathers land and commit all sort of atrocities that are detrimental to their host's growth. The Central Intelligence

Agency is used as an instrument for promoting the interest of the multinationals, this is only why the United States of America is concerned with the activities of the leaders in the Third World countries like Nigeria. The multinationals are known for the monopolization of the means of production, the repatriation of profits and then also engagement in the transfer pricing and over invoicing which is because of the absence of Nigerians in conceiving, designing and implementing manufacturing activities of their own, This has led to a new type of economic domination of the economy by multinational companies who subtly dictate terms and types.

Conclusion

Based on the major findings of this study, Nigeria cannot achieve successful self-reliance and true separation from the Western world through ordinary approach except socialist transformation. There is unequal relationship between Nigeria and the countries of the western world. The Nigerian economic elite play negative role in the economic dependency processes of the country, activities of international financial institution such as the World Bank and International Monetary Fund are all positively in favor of the western economies and to the detriment of Nigerian economy. Government policies in Nigeria are foreign-oriented in nature, therefore, favoring foreign western economies to the detriment of Nigerian interest. Finally, it was discovered that Nigerians prefer foreign products/goods, in fact, generally the country is absolutely depending on western societies.

Recommendation

i) Strategies for development and attitudes of Nigerians towards production are unfavorable for progress and development, there is a need to channel our energies to produce the internal needs and consumptions but this calls for a change in the values of principle of the indigenes, there are far too many acts of indiscipline and self-indulgence on the part of the generality of our people in all the starter of our society. This act of indiscipline and self-indulgence has had and continues to have among other things, disastrous effect on our finances, and in order that she may attain her natural birth right and destiny Nigeria must be remade and recreated (rebranding). Every aspect of our existence must be revolutionized: the agriculture, industry, trade, tertiary services, the attitude of our sons and daughters to life as well as our education and upbringing.

ii) The remaking of Nigeria is a task that needs probity, dedication and courage of a very high order, in addition to the rigorous planning. Remaking of Nigeria is feasible only if we first and foremost remake and recreate ourselves that is to say, those who offer to lead the country aright must strive constantly to lead themselves out of the unruly promptings of the instincts and liberate themselves from the 'tyranny of the flesh' in all its octopods dimensions. Nigeria is naturally good and great it only remains for us as sons and daughters to strive for all we are worth and match our goodness and greatness for the welfare and happiness for every one of us.

iii) There must be certain basic norms and values governing the society which will help everybody together, there must be a way from which these norms could be transferred from primordial to the state level. Any programme of action which is devoided of discipline will not work.

iv) The building of a state requires not only the preparation of programmes but also the design of plans and the issue of instructions and implementations. It requires the wholehearted support and self-identification of the people and the widest possible response to the call for revolutionary service.

v) Rapid development on a national scale and the attainment of economic independence demand a more intensive and wider application of ability and intensiveness, the speedy acquisition of technical knowledge and skill a vast acceleration of productivity as a pre – requisite to accumulation of saving for reinvestment in industrial expansion.

vi) There must be a mass participation in productive activities. This helps to eliminate alienation. The masses should be entirely mobilized by all the countries that achieved self-sufficiency in production. Succeed through the effective mobilization of the masses, seasons are the raw material for achieving the desired objective. The rural areas should be adequately developed because it is the nerve center for the productive activities.

vii) The growth of the national economy and its inherited strength including the factor of political stability are bound to be dependent to a very large extent on government in rural sector remains it very core. It is also necessary that rural development programmes be conceived and structured as the core of a continuous dynamic process of national development rather than its ancillary. Therefore, it is facial to talk of national development if the transformation of the rural economy and life is not taking its true place, the living standard of the rural population should be improved in order to mobilize and allocate resources for progressive development.

viii) Local factors should be adequately deployed resources known and unknown should be adequately deployed. Innovation and creativity should be practical rather than theoretical. This should be achieved through setting up of research and development institute. Through this research and development local technologies may emerge which are compatible with local conditions and culture. Technology have to be compatible with structures and culture one wants to maintain. This involves indigenes trusting their institutions more than relying on foreigners. The issue of research and development was practiced successfully by the Biafra's during the war period encircled and cut off from the outside world because of the federal government blockade, engineers and technologist had to go to work there, which resulted in a high rate of consumer and non-consumer goods e.g. petrol and diesel, toilet and washing soap, engine oil all produced in a small scale unit of a fraction of the capital/output of equivalent installation in Europe in the rest of Nigeria at that time.

ix) Patriotic of the Nigerian home made goods can also reduce dependency of Nigeria by Nigerians. This home made goods can help in the eradication of unemployment and then the developing of the economy.

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