DEBT, TIME VIOLENCE, AND SUSTAINABLE DEVELOPMENT IN NIGERIA

Charles E. Ekpo and Adeleke O. Ogunnoiki*

Abstract

The objective of this paper is to analyze government's borrowings in the purview of time violence with recourse to the adverse effects that bad debts could have on succeeding generations. Using Nigeria as a case, we argue that there is a nexus between debt, its management, time violence, and sustainable development. If the purpose of debt acquisition is altruistic, and the processes of the utilization of its proceeds are transparent, it is likely to be sustainable and self- servicing. Otherwise, debt would become a menace over time and culminate in time violence to generations who neither incurred nor benefited from the debt. Consequently, debt should be conceived and analyzed as a security threat that is capable of hurting and destabilizing a country through a myriad of ways. While borrowing may be inevitable, debt must be properly securitized to foreclose its attendant violence. This study, thus, offers a security dimension to extant studies and analyses on Nigerian sovereign debt. The study is qualitative with data sourced from primary and secondary sources.

Keywords: Debt, Time violence, Debt management, Sustainable development, Debt securitization

---

*Charles E. Ekpo
Peace and Conflict Studies Programme, Institute for Peace and Strategic Studies, University of Ibadan; cekpo34@yahoo.com

**Adeleke E. Ogunnoiki
Commissioning Editor, E-International Relations (E-IR), United Kingdom; adeleke_ogunnoiki@yahoo.com

Introduction

The origins of contemporary studies on violence could be traced to the mid-twentieth century contributions to the debate by the peace and conflict scholar and connoisseur, Johan Galtung, who has been described elsewhere as “the father of peace studies”[1]. In one of his early articles titled “On the Meaning of Non-violence”, Galtung[2] defined violence as “the deprivation of somatic health” and magnified its relegated forms such as biological incapacitation, reduction of action-space, negative influence, and interference, to refute the conventional definition of violence as mere “bodily harm”[3]. In his “Violence, Peace, and Peace Research”, Galtung[4] further developed the concept of violence and made distinction between physical and psychological violence, negative and positive approach to influence (as a source of violence), intended and unintended violence, personal and structural violence, and manifest and latent violence. Here, he hinted on the time element in the epistemological interrogation of the subject of violence by defining latent violence “as something which is not there yet might easily come about”[5].

Though his subsequent publications addressed the issues of structural, direct and cultural violence[6], his later works framed and better contextualized the subject of time violence as one of the major five typologies of violence. In his *Peace by Peaceful Means*, Galtung[7] identified the five types of violence to include, nature violence, actor/direct violence, structural/indirect violence, cultural violence, and time violence. According to him,

> Time violence means negative impacts on future life generations. Extreme case: life is no longer reproducible (‘sustainable')...*time*, is the medium in which any system moves or undergoes process, increasing or decreasing violence or peace, or *dukkha* and *sukha*, beyond human agency, or moved by intervention, by Self and/or by Other. Time violence, or 'temporal violence', also makes sense as peace processes moving too slowly, or

> violence processes too quickly; or as processes that are badly coordinated[8].

The above is to argue that present decisions, actions and policies of the society, if “badly coordinated”, could accumulated some negativities and problems which would, in the future, degenerate into disparate forms of violence for the succeeding generations. It also suggests that managing a fundamental societal problem such as a bad economy, to deliberately postpone its inevitable collapse constitutes time violence perpetuated by the present generation against that which may eventually bear the pains. This is why Galtung and Fischer[9] have further labelled time violence to be “delayed violence”, and even “land-mines transmitted violence”.

Of the various nature and typologies of violence identified above, attention has been paid by scholars to all but time violence in analyzing topical issues in Nigeria. While the works of Anifewose[10], Siollun[11], Onapajo[12], Onwudiwe and Berwind-Dart[13], Campbell[14], et al. have focused on the political and electoral aspect of violence, others as Oladepo et al[15] have extrapolated the theme of gender violence. Similarly, Watson[16] has examined the phenomenon of urban violence; John et al[17] have researched into the theme of gun violence; while Welch[18], Hazen and Horner[19], and Mahler[20] have examined the theme of oil-related violence in the Niger Delta. Aspects of cultural violence have also been interrogated in the works of Iliyasu et al[21] and Omeni[22]. Nevertheless, extant literature has analyzed debt from the economic and risk perspective. Bendesky and Vale[23] have even penetrated further to conceive and frame the analysis of the Latin American debt crises as a conflict. However, no study, to the knowledge of the authors, has attempted a research into debt on the prism of violence.

This work, by attempting an investigation into the subject of debt in Nigeria in the prism of time violence, provides an alternative viewpoint to contextualize debt as a potent security/violent threat and establishes the sinew between debt management and sustainable development. It is our argument that

debt accumulation without correlating, befitting and tangible developmental and sustainable projects constitutes a great degree of harm (time violence) to the succeeding generation who would be cursed by a spill-over of problems they never caused. In our subsequent subheads, we shall discuss the relationship between debt management and time violence, debt management regimes and time violence in Nigeria and as well suggests ways which the problem of time violence, with regards to the issue of debt, could be managed.

The Nexus between Debt and Time Violence

It should be noted that borrowing in its benign sense is never a vice and debt accumulation does not intrinsically amount to violence of any kind. In the present globalized world where technological advancement is perpetually reducing the space between nations, interdependency is becoming inevitable and one of the ways through which such symbiosis occurs is through borrowings by independent states for developmental projects. This is why George[24] submitted that "there's nothing infamous or irresponsible about corporate or national debt - the modem world couldn't function without it, nor without the banks that oil the global economic machinery".

Most recent data from the World Bank, for instance, reveals that external debt stocks at the end of 2018 approached $8 trillion with Argentina, Brazil, China, India, Indonesia, Mexico, Russia, South Africa, Thailand, and Turkey sharing a significant proportion of that debt stock[25]. Available statistics also shows that "global debt has reached an all-time high of $184 trillion in nominal terms… [And] the most indebted economies in the world are also the richer ones"[26]. This validates our position that debt is never a problem as it could parachute a nation from economic difficulties to opulence. However, it all depends on the management of what is being incurred as loans and the nature of what acquired capital is being invested into.

Just as debt could facilitate wealth, it could also become a harbinger of doom which manifests in variant dimensions of

violence for succeeding generations. This is more so as most funders would go extra miles to ensure they recoup whatsoever that is advanced as loans. Echoing this, John Clark[27] noted that poor debtor countries make their loan repayments even in time of famine and "for every £1 given in famine relief", funders would reclaim some £2 in debt repayment. Debt is also noted to be a tool of imperial power utilized by funder governments and institutions. It has, thus, been posited that:

> Debt is also useful to states and international financial institutions in that it can be a lever to coerce weak, less economically buoyant states into compromising their sovereignty or at least autonomy, and pursuing more appropriate policies, perhaps of economic reform, if not merely debt repayment[28].

In fact, a recent study by Rajah et al[29] heightens concern for the 'debt diplomacy' utilized by global powers as China against weak and developing countries. The report specifically noted that:

> Increasingly, China's state-owned commercial banks are also becoming major overseas lenders under the BRI banner. Combined with the large volume of planned Chinese lending under the BRI, this has given rise to concerns that the initiative will generate debt sustainability problems in developing countries around the world. It has also led to accusations of so-called 'debt trap' diplomacy, which contend that China actively seeks to push countries into debt problems in order to extract geopolitical concessions. Many geostrategic analysts are alarmed by the example of the Hambantota Port in Sri Lanka, in which a state-owned Chinese firm gained a majority equity stake in the strategically located port after the country ran into debt-related difficulties…In 2018 the IMF identified eight low-income countries in Africa experiencing debt difficulties in which total

> external debt-to-GDP had risen by over 20 percentage points, with more than half of the increase reflecting bilateral loans from China.15 One recent academic study suggests that half of China's overseas lending is "hidden" and not captured by official global debt statistics or private credit rating agencies.

History is replete with cases where bad debt incurred in generations proved to constitute series of problems to succeeding generations in particular and the world at large. For instance, the "debt of independence" ($21 billion) imposed on Haiti by France in 1825 did not just take the country 122 years to pay off but as "rendered the Haitian government chronically insolvent, helping to create a pervasive climate of instability from which the country still hasn't recovered"[30]. The French were also known to have attacked Mexico in 1867 when the former "repudiated a portion of the external and internal debt being demanded of the country"[31]. In the contemporary world, one of such debt problems was that created in the 19th century Egypt by its ruler, Muhammad Said. Before his demise in 1863, Said had borrowed to the tune of £14 million for the construction of the Suez Canal[32]. It was this debt that was used by Britain as justification to subject Egypt, decades after, to what Frantz Fanon[33] termed as colonial violence. This generational exploitation and violence continued until 1956 when the Egyptian president and revolutionary, Gamal Abdel Nasser nationalized the canal.

Also, the "Dollar Diplomacy" initiated by the United States in the early 20th century under the administration of Theodore Roosevelt (1901-1909) witnessed the exchange of money for a direct intervention into the management of the revenue of the Dominican Republic until about 1913. Similarly, a recent study by Straumann[34] has established a connection between the debts stockpiled by the German government in the early 1920s and the instability that culminated in the emergence of the Nazi party, the global economic crises of the 1930s and outbreak of the Second World War. During the Cold War, Enor[35] has argued, loans and

economic aids were a veritable tool in luring countries in Africa, Asia and South America into either the Communist or Capitalist blocs.

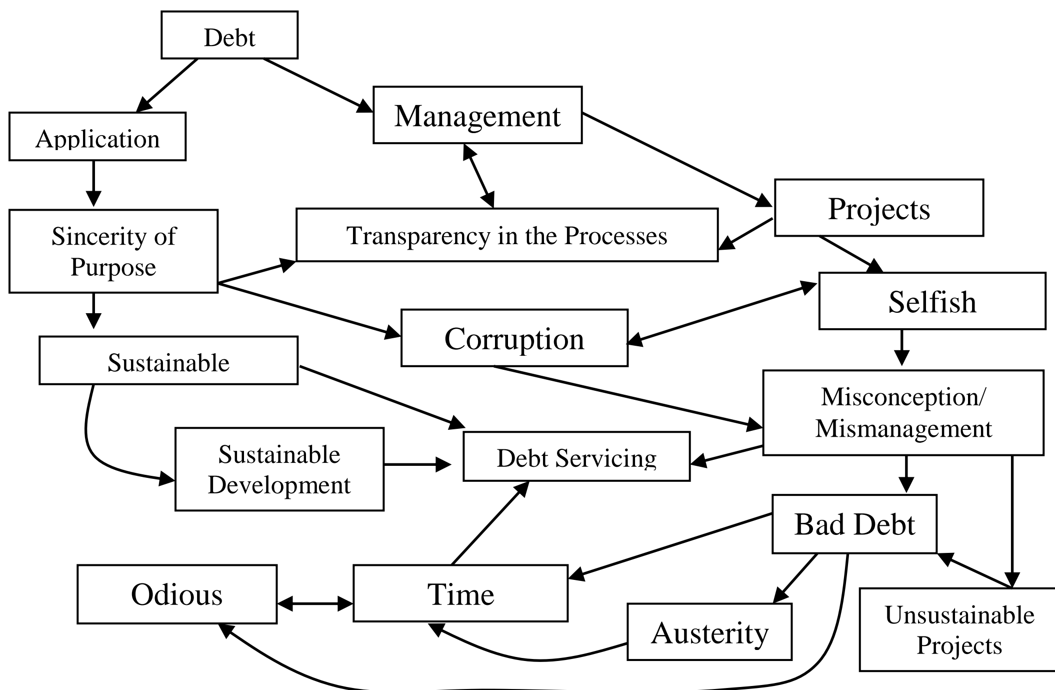
Of these debt related problems, violence and insecurity, the August, 1984 debacle in Latin America has been the most pervasive with enduring repercussions. The region had amassed an avalanche of loans which eventually peaked by 1984. Summarizing the processes to this crisis, O'Brien[36] averred thus:

> in the 1970s and early 1980s the total Latin American debt grew in leaps and bounds. In 1960 Latin America's total external debt stood at $7.2bn. By the beginning of the 1970s it had reached $12.8 bn, and the oil crisis pushed it up dramatically. In 1974, the year of the OPEC price rises, the debt reached $58.4 bn. By 1979, the year of the second major OPEC price rise, the debt was $181.9 bn; and in 1982, the year the debt crisis broke, the debt stood at $315.3 bn (pp.88-9).

In fact, it was not just the Latin American debts that turned bad but that of a vast majority of the Third World, of which Africa dominates. To this end, Riley[37] had noted that:

> the total external debt of the Less Developed Countries jumped from $180 bn in 1975 to $636 bn in 1980, an increase of 353 per cent, and it is suggested that the increase in oil prices contributed greatly to this leap in external debt.

Fig.1: Showing the Relationship between Debt, Debt Management and Time Violence



Source: Conceived and designed by the authors

It is in the implications of these accumulated debts and their concomitant crises that we could best illustrate the connection between debts, debt management and time violence. As it has been stated earlier, borrowings by sovereign entities are never bad, especially in a democratic setting. The problematic, however, is in its (i) sincerity of purpose, (ii) transparency of process and (iii) sustainability of projects executed with loan proceeds.

In liberal democracies such as Nigeria, the processes of incurring sovereign debts are more people-oriented for in most cases, the parliament, which consists of elected representatives

from disparate regions, has to subject the loan application to scrutiny before consenting to or rejecting such application by the chief executive. The unanimous consent granted such request is based on the precept that such loan request is not going to be deleterious to the state, its people and the fundamentals of its domestic and foreign policy. Now, this unanimity and checks are the underlying difference between democratic and autocratic loan acquisition process. This does not, however, underestimate the factor of weak institution which erodes every form of checks and balances and, more often than not, witness the propitiation of the chief executive through dubious demagogues to grant s/he wants. If the latter is the case, then the sincerity of purpose is blurred and both the processes and sustainability of implemented projects would be negatively affected.

Consequently, if the purpose of the loan fails the sincerity test and its process is adjudged to be non-transparent, the chances that it would culminate is sustainable projects are slim. The outcome would be stench corruption, embezzlement, mismanagement and laundering of the borrowed sum. These were the cases with President Mobutu who is said to have a personal wealth that approaches the entire external debt of the country; an ex-president of the Philippines who is assumed to have taken $2.5 to $3.0 billion out of the country and Haiti's leader, Jean Claude Duvalier, who is known to have amassed a fortune of between $100million and $800 million – all from debt proceeds[38].

Whether for sincere or selfish purposes, acquired loans must be repaid. The difference is that loans used on carefully planned and implemented projects generate funds which are used to service it. On the other hand, embezzled or poorly managed loans are serviced by the sweat of non-ruling/non-elites most of whom do not belong to the generation that embezzled the acquired loans. This is why George[39] warned that "a country that borrows to finance imported gadgets for the upper and middle classes, without investing anything in the future, will sooner or later come to grief".

The grieving here comes in different forms such as austerity, inflation, economic crisis, unemployment and in some

cases depression and sudden change of government. At this stage, Bendesky and Vale[40] argued, debt ceases constituting economic but country risk. Except a loan is declared odious – a situation which is a rarity[41] – the situation above constitutes time violence if the generation that was not part of the profligacy is made to directly or indirectly suffer from the malfeasance of its predecessors. Generally, the time violence assumes different forms which are cloaked in austerity and structural adjustment programs. The situation is similar to that described by George[42] thus:

> Debtor nations are not earning a fair price for their goods, and they are being prevented from exporting. The world economy is enfeebled as a result: the debtors' only recourse is to cut imports drastically in a desperate attempt to create a trade surplus that will allow them to payback the banks. Once they've cut the fat, they start depleting muscle and bone. Agriculture and industry must forgo vital needs like fertilizer, spare parts and machinery. Debtor nations must also deprive their people: they can no longer afford basic drugs or foodstuffs, much less books. The policy — for it does seem to be a policy - of preventing countries from repaying their debts or purchasing basic necessities has pernicious consequences for the North as well as for the South.

Such was the case in Latin America in the mid-1980s. For accumulating and mismanaging billions of dollars as debt between 1946 and 1961, the 1980-generation of Latin Americans suffered a great deal. Records indicate that during the 1984 debt crisis, the region was forced to accept International Monetary Fund's policy recommendation "the implementation of which meant recession, unemployment, inflation, and a reduction in investment particularly in the private sector and· in public sector social investments, with worrying consequences for the future"[43]. Revenue was down and capital expenditure suffered. By 1984, inflation averaged 165.3 percent. By 1985, a number of countries had inflation of over 100

per cent: Peru with 163.4 per cent; Nicaragua with 219.5 per cent; Brazil with 226.9 per cent; Argentina with 672.2 per cent and Bolivia with a staggering 11749.6 per cent[44]. There was economic stagnation and urban unemployment was officially running at 11.6 per cent in the region as a whole, and over 14 percent in Bolivia, Chile, Colombia, Panama, and Venezuela. By 1985, over 40 percent of the entire workforce was affected with attendant reduction in minimum wage even in the face of inflation[45]. In the words of Levitt[46], the external debt culminated in "social explosion, untold suffering, escalating political instability, and the severe regression of the process of economic growth". Commenting further, he noted that:

> Owing primarily to interest payments on an external debt of$418 billion, Latin America has been forced to generate net resource outflows of roughly $30 billion per annum in 1982-6. The *net* transfer of resources *out of the region* during the four years 1982 to 1986 amounted to $112 billion in the form of *excess* of interest over *net capital inflows.* In the decade 1977 to 1986, there was a total net inflow of external funds of $273 billion, of which$220.8 billion was commercial bank borrowing. Over the same period, the sum of interest paid on public debt was $294 billion[47] [emphases are origin].

This debacle which Ocampo[48] believes, was "the most traumatic economic event in Latin America's economic history", was not caused by the generation who suffered it but those who, four decades ago, failed to comprehend the inevitable time violence that its lust for, and poor management of loans and aids would cause its future generations.

Another good instance of time violence of which case is not different from that which transpired in the Latin America is what manifested in former Zaire (now Democratic Republic of Congo) under the leadership of Joseph Mobutu Sese Seko. He is

reported to have incurred foreign loans to the tune of $5 billion which was coincidentally the equivalent of what he and his family had stolen from the state coffers[49]. While Mobutu swam in opulence, the masses suffered the policy recommendation imposed by the IMF which included devaluation. It was so bad that while an average family in the Mobutu Zaire needed about 80 Zaires a day for food alone (without any meat or fish), the salary of a semi-skilled worker or a teacher was 20 Zaires a day. By this period, too, malnutrition was on the rise viral cases of kwashiorkor. In fact, it was reported that half the children were dying before reaching the age of five[50]. Debt, therefore, that is badly managed is a time violence and keg of gunpowder that eventually explodes as crises which could assume or befit the description of direct and indirect violence.

Debt Management Regimes and Time Violence in Nigeria

The integration of the African continent and indeed, Nigeria, into the global arena of capitalism between the 15th and 16th centuries, Orugbani[51] has argued, marked the beginning of a distinct problem which he labelled, "debt trap". This is to say that the origin of debt related time violence in Nigeria is as old as the origin of capitalism in Nigeria but this line of thought is interested in international "trade imbalance" than "debt mismanagement" as a precipitating factor of debt crises. The latter, we dwell on, to cursorily demonstrate how poor management of incurred debts under successive administrations either led to progress or cultivated seeds that would eventually germinate as cycles of time violence against 'innocent' generations.

The history of debt in Nigeria could be traced to the early 1920s when the British colonial government began to incur debt for supposed welfare and developmental projects. According to Ogunyemi[52], the colonial government, in 1923/24, received a loan of £5,700,000 from the United Kingdom capital market and the International Bank for Reconstruction and Development (IBRD).

Table 1: Nigeria's Public Debt 1923-1955

Fiscal year	Loan		Total Debt	% Growth
	Internal	External		
1923/24	-	5,700,000	5,700,000	-
1935/36	-	4,188,000	4,188,000	-26.5
1946/47	300,000	4,188,000	4,188,000	7.1
1947/48	-	1,250,000	1,250,000	-72.1
1949/50	-	3,000,000	3,000,000	140.0
1951/52	-	6,800,000	6,800,000	126.6
Total		**21,238,000**	**21,238,000**	**35.02**

Source:[53]

Another sum of £4,188,000 was received in the 1935/36 fiscal year, bringing the sum total of foreign debt to £9,888.000 "at a time when the country's total revenue was barely £6 million". Upon launching of the Colonial Development and Welfare Plan in 1946, a sum of £300,000 was borrowed with another £3 million incurred in 1949/50 fiscal year. By 1952, the sum total of foreign debt had risen to £21,288,000. Of this figure, £4,180,000 was repaid in 1955 and Nigeria became politically independent with a debt burden of £17,050,000 by October 1, 1960[54].The loans were acquired to finance and expand infrastructures as railway, roads and communication services and as stated above, generated enough for its for servicing and repayment. This is why Ogunyemi argues that

loans, at this early stage, were relatively well managed[55]. However, what would have been a colonial burden and economic problem of Nigerians that lived in the early 20th century was postponed, packaged and delivered to the generation that lived in the 1960s. It is more disturbing as colonial enterprise and all it represented were exploitative ventures that cared less about the welfare and development its colonies. So the purpose of a chunk of the loans was a sincere ease of business for the colonial enterprise. The projects were arguably sustainable and yielded enough to repay some of the loans as at when due.

Nevertheless, not just did Nigeria attain independence with debt burden but its political elite's class was as well infected with the psychological disposition of lust for foreign debt. The dominant theme, therefore, in the discourses of the immediate post-colonial political economy of Nigeria has been that of dependency. This occupied a substantial part of Claude Ake's *A Political Economy of Africa*. Ake stated emphatically that "Nigeria's nationalist leaders were very much preoccupied with economic dependence during their nationalist struggle"[56]. Unfortunately, this dependent disposition shaped the economic contours of the first decades of post-colonial Nigeria and explains better, the country's lust for aids and loans. It was on this basis that a substantial part of the funds for the First (1962-68) and Second (1970-74) National Development Plans were hinged on foreign loans and aids from Britain. In fact, Bhatia and Engstrom[57] commenting on the Second National Development Plan noted that the first three years of the plan relied greatly on public sector borrowings.

Consequently, Nigerian elites did not just gain political freedom but freedom to debt rascality and economic treason. For instance, weeks after independence, $13.1 million worth of loan was incurred from the Paris Club of Creditor Nation to be repaid in twenty years with an annual interest of 3½ percent[58]. Total debt figure had risen from ₦82.4 million in 1960 to ₦435.2 million in 1965 and had further increased to ₦456 million by 1969. By 1970, Nigeria's total debt burden was ₦488.8 million and slightly appreciated to ₦496.6 million by 1977[59]. A billion dollars (₦600

million) was further borrowed in 1977 from the International Capital Market (ICM) to be repaid over an eight year period. By the succeeding year, another debt of $1.145 billion (₦734 million) was incurred[60]. The borrowing spree continued at the national and state levels such that by 1980 external debt had risen to $9 billion and had skyrocketed to $19 billion by 1985[61]. By this period, the earlier debt incurred had been mismanaged and more debt were incurred to service existing debt. Nigeria was summarily in debt and economic crisis. It was so bad that rather than plan for development, Nigeria's Fourth National Development Plan was more like a strategy towards servicing a chain of foreign loans acquired over the years[62].

Asides the loans acquired during the early 1960s, which Akinboye[63] believes "did not weigh too heavily on the nations' economy", a good percent of these debts were maliciously acquired and invested in corrupt-ridden unsustainable projects. Noting this position, Egbunine[64] averred that:

> It was only in the period of growing external debt (early part of the 80's) that debt management was seen as vital. Before this times loans were used· indiscriminately with little or no planning. The resultant effect of this was that external loans were sunk into unprofitable projects, while the remaining was amassed through illegal means by the ruling class.

To corroborate the position above, Nwozor[65], affirmed that some of the "jumbo loans were contracted to…maintain the ostentatious lifestyle of the elites, funded through their easy access to state resources". There was a lust for imported food such that by mid-1978, "business at the Lagos port alone was 97% in imports and only 3% in exports[66]. Furthermore, Akinboye[67] stressed that the loans were grossly mismanaged with a chuck of it stolen. He further noted that about $412 billion is alleged to have been pilfered by Nigerian politicians over the years. The Shagari administration was particularly notorious in this regard. According to Bangura[68], "Shagari's administration deepened the forces of import-substitution at the level of industry and agriculture, intensified

corruption and squandered substantial resources". Consequently, it became very difficult to service nor repay these debts which have been incurred by preceding generations.

The impact, which we rightly describe as time violence, was excruciating on the innocent generation. The prevailing situation and milieu of hardship is best captured below by Olukoshi and Abdulraheem:

> About 50 per cent of the industrial capacity of the country had been lost owing to the closure of factories unable to obtain foreign exchange to import raw materials and spare parts. As a result about one million workers had been retrenched from the manufacturing sector between 1980 and 1983. The country's GDP fell by 4.4 per cent in 1983 after a decline of 2 per cent in 1982 and the budget deficit for 1983 was ₦6.231 billion, representing more than 50 per cent of total government expenditure. The foreign exchange current account recorded a deficit of ₦4.9 billion in 1982 and ₦2.9 billion in 1983. For an economy which spent ₦9.095 billion on imports in 1980, rising to ₦3.59 billion in 1981, the foreign exchange earnings principally from crude petroleum exports, fell from ₦10.1 billion in 1979 to ₦5.161 billion in 1982[69].

The above situation was further complicated by the collapse of basic social services as hospitals, rural health clinics and schools[70]. As government spending reduced drastically, every form of welfare services suffered. In the face of half/unpaid salaries and retrenchment, tax collection was amplified, compulsory education (between ₦20 to ₦50) levies were introduced, and 44 percent of expected foreign exchange receipts were reserved for debt repayment and services[71]. Furthermore, official rate of inflation increased from 10% in 1980 to 21% in 1981 and, as a result of shortages goods, accelerated to 50% in 1983[72]. As it became too difficult for Nigeria to borrow from other international funders, the

country, beginning from the Shagari regime, turned to IMF. The IMF austerity (structural adjustment) which came in the form of "devaluation of the exchange rate, cuts in public spending, privatisation of public corporations, removal of subsidies, trade liberalisation and promotion of non-oil exports"[73], initiated the *coup de grace* protocol that destroyed the economy and culminated in serious penury for the Nigerian masses. Nigeria became economically dependent to its financiers with a worsening inflation index. This situation is captured by Nwozor when he noted that:

> The most destructive aspect of SAP on the Nigerian economy was the Second Tier Foreign Exchange Market (SFEM), which deepened the country's debt problem, effectively destabilising the economy and intensifying its dependence on the vagaries of global markets and the fortunes of western creditor economies. The Nigerian Naira went into freefall [sic] in SFEM, so that instead of the 60 per cent devaluation originally planned, it was devalued by up to 500 per cent. Notably, the effect of this unprecedented devaluation included high costs of imported inputs and, consequently, prices of finished products in circumstances of declining real incomes and nominal money stock, and a bloated foreign debt which rose from N41452.4 million in 1986 to N633,144.4 million in 1993[74].

Not just was the Nigerian economy trapped but its policies and development plans influenced greatly by imperial funding institutions and agencies. The Naira witnessed a steady fall with rippling consequences. Ibietan and Ekhosuehi[75], for instance, noted that:

> from a parity of one dollar to one naira in early 1986, the naira crashed at N9.50k to a dollar on March 5, 1992 and succumbed (almost by another 100 percent) to the dollar at N18.60k at the

commencement of trading that same day. By early 1993, a dollar traded for N43.00 in the black market and since then, nothing had remained the same again in the economy.

The suffering, agony, and disappointment by Nigerians was quite loud and pronounced, and assumed the forms of industrial actions, protests, unrests and even series of change in governments. While it appears the middle class felt the impact most, there is enough evidence to assert that peasant farmers had a fair share of the suffering[76]. The sufferings did not stop the steady increase and accumulation of more loans and interests. Nigeria's foreign loan increased eventually from $18.9 billion in 1985 to $35.9 billion in 2004 with Paris Club's share moving from $7.8 billion to $30.8 billion within same period[77]. By the year 2005, Nigeria's debt was totalling $35.995 billion with paltry annual federal revenue of $9 billion[78].

Though successive attempts were made at settling the debt disputes, it took until 2005/2006 for a debt relief to be negotiated and implemented. In her book *Reforming the Unreformable*, the then Coordinating Minister for the Economy and Minister of Finance, Ngozi Okonjo Iweala, dedicated a chapter to explain the steps, processes and efforts that were made to secure a foreign debt relief which brought the figure of Nigeria's external debt down from about $35 billion to $5 billion[79]. It took several decades to shake-off the shackles of debt burden and economic treason which was committed way back the colonial era, redefined in the early 1960s and bastardized by the middle of the 1980s. It took the efforts of the succeeding generations to save the country from the impending doom which could have even been worse than the violence precipitated by the austerity programs of the 1980s.

The problem, however, is that this generation is at the verge of repeating the same mistakes of its predecessors. There is still a high lust for, and mismanagement of foreign loans. Nigeria's debt profile is rising again at an astronomical level. For instance, data from National Bureau of Statistics (NBS) shows that the country's debt has steadily risen from $10.718 billion in 2015, to

$11.406 billion in 2016 and $15.047 billion in 2017[80]. By December 31st, 2018, NBS statistics further revealed that the country's foreign and domestic debts stood at $25.27 billion and ₦16.63 trillion respectively. By March, 2019, the nation's total debt had totalled $81.274 billion[81].

Table 2: Source of the Senate's approved $22.7 Billion Loans

S/N	Sources of Approved Loans	Amount ($)
1	Exim Bank of China	17bn
2	World Bank	2.95bn
3	Africa Development Bank	1.88bn
4	Islamic Development Bank	110m
5	Japan International Cooperation Agency	200m
6	German Development Bank	20m
7	French Development Agency	480m
	Total	**22.7bn**

Source:[82]

Already, there is a significant cost to debt financing. Servicing these debts represented about 22.8 percent of total government budgetary expenditure (₦1.66 trillion [$5.4 billion]) in 2017; 21 percent in 2018 (₦2.01 trillion [$6.6 billion])[83] and almost a quarter (₦2.5 trillion) of its budget (₦10.3 trillion) in 2020[84].It is worth noting that a reasonable half of these loans are invested in combating insecurity in the north east and north central Nigeria.

This is very worrisome considering the monumental corruption and brazenly embezzlement of budgeted funds that characterizes the military struggle against the Boko Haram insurgents. It has been alleged by the present administration, for instance, that about $2.1 billion meant for the north east campaign was diverted and used as campaign funds by the Goodluck Jonathan-led administration[85].

As it stands, the Nigerian Senate had on March 5, this year, approved President Muhammadu Buhari's request to borrow the sum of $22.7 billion dollars for supposed infrastructure projects[86]. If realized, this could spell doom for the next generation. Already, the IMF has warned that without major revenue reforms, the dark ages of the 1980s could return as debt could rise to almost 36% of Gross Domestic Product (GDP) with interest payment taking as much as 75 percent of government revenue[87]. Considering its history of corruption, embezzlement, mismanagement and profligacy, there is every reason to be worried. The time violence is real and could be worse than that which was accumulated and manifested in the 1980s. Currently, the Naira, like the oil prices is becoming very unstable and is further complicated by the fact that over 90 percent of the country's export is on petroleum products. It has even been predicted that Nigeria's oil reserves will be depleted in 49 years[88]. While it is doubtful that Nigeria can offset accumulated loans of over a $100 in 49 years period, it is even more inscrutable that it could do so without the dollars from petroleum but as usual, recouped debt must be paid but which generation would and how will they? The time violence is most certain than not!

Conclusion: Towards Securitizing Debt Acquisition/Management Regimes in Nigeria

History has proven that it is a mistake and indeed, a misnomer, to subject the issue of debt (in Nigeria) exclusively to the reigns and realms of politics, economics, and finance. The strength, the weaknesses, the opportunities and the threats embedded in the procurement of foreign debts with suicidal conditions are as

benevolent (if effectively utilized) as they are malevolent (if mismanaged). In fact, negotiating and acquiring loans in the aura of economics negates fundamental questionings and analyses that could magnify and properly situate national security risks which are downplayed as normal 'risk' that is associated with such ventures. Maintaining just a political and economic position in questioning the sincerity of the purpose of debt, the transparency of its acquisition and utilization processes, and the sustainability of the projects have proven not to be good enough over the years. This is why debt must also be conceived and analyzed as possible security threat with scenarios created for best possible options.

In this work, we have attempted to situate debt as a potential security problem that could culminate in disparate forms of threats, agony, and time violence, to 'innocent' generations, if wrongly managed. It is high time that both foreign are domestic loans were considered as high security threat that must not be allowed on mere precepts of reputation or political party lines. The sincerity of loan purposes must be thoroughly scrutinized. The chief of executive should be made to provide more than ordinary 'wishes' and designated projects to command loan approvals. Should feasibility studies and needs analysis of each projects potency and necessity not be most paramount? It is only through these calculated processes that debt could be benign and the projects from its proceeds sustainable.

The fact that politicians exhaust their terms in office and retire as private citizens without being held accountable for the economic treason during their tenure has worsened this debacle of debt related time violence. Therefore, accountability and responsibility must be the watchword. Just as stringent conditions are spelt out in the constitution with regards to the impeachment of the executive president or modification of some vital provisions of the constitution, debt acquisition should also be made to pass through this stringent conditions since it harbor the potency of destroying and destabilizing the country. Most importantly, debt approval should be liberalized so that it could take into account the direct (dis)approval of those whom their grandchildren may have to

bear the brunt of repayment. Since the National Assembly that should speak for the people has become ‘incapacitated’ inputs of the citizenry should be paramount in deciding where to borrow, who to borrow from, how to use the proceeds, conditions for borrowing and terms of servicing and repayment.

Endnotes

---

[1]Johan Galtung and Dietrich Fischer, *Johan Galtung: Pioneer of Peace Research* (Heidelberg: Springer, 2013), 3.
[2]Johan Galtung, "On the Meaning of Nonviolence", *Journal of Peace Research*, 2, (3), (1965), 229.
[3]Galtung, "On the Meaning of Nonviolence", 234-235.
[4]Johan Galtung, "Violence, Peace and Peace Research", *Journal of Peace Research*, 6, (3), (1969), 168-172.
[5]Galtung, "Violence, Peace and Peace Research", 172.
[6] See Johan Galtung and Tord Hoivik, "Structural and Direct Violence: A Note on Operationalization" *Journal of Peace Research*, 8 (1971), 73-76; Johan Galtung, "Cultural Violence", *Journal of Peace Research,* 27, (3), (1990), 291-305.
[7]Johan Galtung, *Peace by Peaceful Means: Peace and Conflict, Development and Civilization* (London: Sage Publications, 1996), 31.
[8]Galtung, *Peace by Peaceful Means...*,31-32.
[9]Galtung and Fischer, *Johan Galtung: Pioneer of Peace Research*, 40.
[10]Remi Anifowose, *Violence and Politics in Nigeria: The Tiv and Yoruba Experience* (Lagos: First Academic Publishers, 2006).
[11] Max Siollun, *Oil, Politics and Violence: Nigeria's Military Coup Culture* (New York: Algora Publishing, 2009).
[12] Hakeem Onapajo, "Violence and Votes in Nigeria: The Dominance of Incumbents in the Use of Violence to Rig Elections" *Africa Spectrum*, 49, (2), (2014), 27-51.
[13]Ebere Onwudiwe and Chloe Berwind-Dart, "Breaking the Cycle of Electoral Violence in Nigeria", *Special Report*, (United State Institute of Peace, 2010).
[14]John Campbell, "Electoral Violence in Nigeria", *Council on Foreign Relations*, Contingency Planning Memorandum (No.9), (2010).
[15] O. Oladepo; O. B. Yusuf; and O. S. Arulogun, "Factors Influencing Gender Based Violence among Men and Women in

Selected States in Nigeria", *African Journal of Reproductive Health*, 15, (4), (2011), 78-86.
[16]Ruth Watson, "Ethnicity, Nationalism and Urban Violence in Nigeria", *Journal of African History*, 48, (3), (2007), 496-497.
[17]Ime A. John; Aminu Z. Mohammed; Andrew D. Pinto; and Celestine A. Nkanta, "Gun Violence in Nigeria: A Focus on Ethno-Religious Conflict in Kano", *Journal of Public Health Policy*, 28, (4), (2007), 420-431.
[18]Claude E. Welch, "The Ogoni and Self-Determination: Increasing Violence in Nigeria", *The Journal of Modern African Studies*, 33, (4), (1995), 635-649.
[19]Jennifer M. Hazen and Jonas Horner, "Small Arms, Armed Violence, and Insecurity in Nigeria: The Niger Delta in Perspective", *Small Arms Survey*, https://www.jstore.org/stable/resrep10752.12/ (Accessed 29/02/2020).
[20]Annegret Mahler, "Nigeria: A Prime Example of the Resource Curse? Revisiting the Oil-Violence Link in the Niger Delta", *Working Paper*, (120), (German Institute for Global and Area Studies (GIGA), 2010).
[21]Zubairu Iliyasu; Isa S. Abubakar; Musa Babashani; and Hadiza S. Galadanci, "Domestic Violence among Women Living with HIV/AIDS in Kano, Northern Nigeria", *African Journal of Reproductive Health*, 15, (3), (2011), 41-49.
[22]Akali Omeni, "The Almajiri in Northern in Nigeria: Militancy, Perceptions, Challenges, and State Policies", *African Conflict and Peacebuilding Review*, 59, (2), (2015), 128-142.
[23]León Bendesky and Michel Vale, "The Conflict of the Latin American Foreign Debt", *International Journal of Political Economy*, 18, (4), (1989), 44.
[24]Susan George, *A Fate Worse than Debt: A Radical New Analysis of the Third World Debt Crisis* (London: Penguin Books Ltd., 1988), 12.
[25]World Bank, *International Debt Statistics 2020* (Washington: International Bank for Reconstruction and Development/World

Bank, 2020) https://openknowledge.worldbank.org/bitstream/handle/10986/32382/9781464814617.pdf/ (Accessed 29/02/2020).

[26]Samba Mbaye and M. Moreno Badia, "New Data on Global Debt", *IMFblog*, (January 02, 2019). https://blogs.imf.org/2019/01/02/new-data-on-global-debt/ (Accessed 29/02/2020).

[27] Quoted in cited in Stephen P. Riley, (ed.), *The Politics of Global Debt* (Great Britain: The Macmillan Press Ltd., 1993), 6.

[28]Riley, (ed.), *The Politics of Global Debt*, xi.

[29]Roland Rahaj; Alexandre Dayant and Jonathan Pryke, "Ocean of Debt? Belt and Road and Debt Diplomacy in the Pacific", *Low Institute Analysis* (Low Institute for International Policy, September 19, 2019), 3.

[30] Dan Sperling, "In 1825, Haiti Paid France $21 Billion to Preserve Its Independence – Time for France to Pay it Back", *Forbes*, (December 6, 2017). https://www.forbes.com/sites/realspin/2017/12/06/in-1825-haiti-gained-independence-from-france-for-21-billion-its-time-for-france-to-pay-it-back/amp/ (Accessed 09/03/2020).

[31]Eric Toussaint, "Debt and the Subordination of Latin America: Mexico Proved that Debt Can be Repudiated", *Global Research* (2016). https://www.globalresearch.ca/debt-and-the-subordination-of-latin-america-mexico-proved-that-debt-can-be-repudiated/5585252/ (Accessed 09/03/2020).

[32] B. Barkindo; M. Omolewa; and E. N. Maduakor, *Africa and the Wider World (vol.1): West and North Africa Since 1800* (Ikeja: Learn Africa Plc., 1989), 162.

[33]Frantz Fanon, *The Wretched of the Earth* (Middlesex: Penguin Books Ltd., 1963).

[34]Tobias Straumann, *1931: Debt, Crisis and the Rise of Hitler* (Oxford: Oxford University Press, 2019).

[35]Frank Enor, *United States Policy Towards Africa Since the Cold War* (Calabar: Seasprint (Nig.) Co., 2012).

[36]Phil O'Brien, "The Latin American Debt Crisis" In: Stephen P. Riley (ed.) *The Politics of Global Debt* (Great Britain: The Macmillan Press Ltd., 1993), 88-89.
[37]Riley, (ed.), *The Politics of Global Debt*, 10.
[38]Arvind K. Jain, "Dictatorship, Democracies and the Debt Crisis", In: Stephen P. Riley (ed.) *The Politics of Global Debt* (Great Britain: The Macmillan Press Ltd), 70.
[39]George, *A Fate Worse than Debt: A Radical New Analysis of the Third World Debt Crisis*, 15.
[40]Bendesky and Vale, "The Conflict of the Latin American Foreign Debt", 38.
[41] See Robert K. Rasmussen, "Sovereign Debt Restructuring, Odious Debt, and the Politics of Debt Relief", *Law and Contemporary Problems*, 70, (4), (2007), 249-261.
[42]George, *A Fate Worse than Debt: A Radical New Analysis of the Third World Debt Crisis*, 59.
[43]O'Brien, "The Latin American Debt Crisis", 96.
[44]O'Brien, "The Latin American Debt Crisis", 96.
[45]O'Brien, "The Latin American Debt Crisis", 96.
[46]Kari Polanyi Levitt, "Linkage and Vulnerability: The 'Debt Crisis' In: Latin America and Africa" In: Bonnie K. Campbell (ed.) *Political Dimensions of the International Debt Crisis* (New York: Palgrave Macmillan, 1989), 16.
[47]Levitt, "Linkage and Vulnerability: The 'Debt Crisis', 16.
[48]Jose Antonio Ocampo, "The Latin American Debt Crisis in Historical Perspective", In: Joseph E. Stiglitz and Daniel Heymann (eds.) *Life After Debt: The Origins and Resolutions of Debt Crisis* (New York: Palgrave Macmillan, 2014), 74.
[49]George, *A Fate Worse than Debt: A Radical New Analysis of the Third World Debt Crisis*, 108.
[50]George, *A Fate Worse than Debt: A Radical New Analysis of the Third World Debt Crisis*, 108.
[51]Adaye Orugbani, "The Debt Trap and the Current Crisis in Nigeria: An Historical Analysis", *India Quarterly: A Journal of International Affairs*, 47, (1/2), (1991), 55-80.

[52]Adetunji Ojo Ogunyemi, “Rethinking the Origin of Nigeria's Debt Burden: A Historical Reconstruction”, *Journal of the Historical Society of Nigeria*, 20, (2011), 29.
[53]Ogunyemi, “Rethinking the Origin of Nigeria's Debt Burden...”, 30.
[54]Ogunyemi, “Rethinking the Origin of Nigeria's Debt Burden..., 29-30.
[55]Ogunyemi, “Rethinking the Origin of Nigeria's Debt Burden..., 36.
[56] Claude Ake, *A Political Economy of Africa* (Addison-Wesley: Longman Ltd., 1982), 114.
[57]Rattan J. Bhatia and Peter Engstrom, “Nigeria’s Second National Development Plan: A Financial Analysis”, *Staff Papers – International Monetary Fund*, 19, (1), (1972), 153.
[58]Ogunyemi, “Rethinking the Origin of Nigeria's Debt Burden..., 30.
[59]Anthony Ukagha Egbunine, “The Politics of Nigeria’s External Debt Crisis”, MS.c Thesis, Department of Political Science, University of Nigeria, Nsukka, (1994), 36-37.
[60]Agaptus Nwozor, “Echoes of Divergence within: The Politics and Politicisation of Nigeria's Debt Relief”, *Review of African Political Economy*, 36, (119), (2009), 25.
[61]Solomon O. Akinboye, “Africa's Debt Crisis: Perspectives on Nigeria's Escape from External Debt Trap”, *Journal of Global Initiatives: Policy, Pedagogy, Perspective*, 1, (2), (2010), 83.
[62]Jide Ibietan and Oghator Ekhosuehi, “Trends in Development Planning in Nigeria: 1962 TO 2012”, *Journal of Sustainable Development in Africa*, 15, (4), (2013), 303.
[63]Akinboye, “Africa's Debt Crisis...”, 83.
[64]Egbunine, “The Politics of Nigeria’s External Debt Crisis”, 79.
[65]Nwozor, “Echoes of Divergence Within: The Politics and Politicisation of Nigeria's Debt Relief”, 25.
[66]Andrew C. Okolie, “Oil rents, international loans and Agrarian policies in Nigeria, 1970–1992”, *Review of African Political Economy*, 22, (64), (1995), 202.

---

[67]Akinboye, "Africa's Debt Crisis..." 89.
[68]Yusuf Bangura, "Structural Adjustment and the Political Question", *Review of African Political Economy*, 13, (37), (1986), 28.
[69]Adebayo Olukoshi and Tajudeen Abdulraheem, "Nigeria, Crisis Management under the Buhari Administration", *Review of African Political Economy*, 12, (34), (1985), 95.
[70]Olukoshi and Abdulraheem, "Nigeria, Crisis Management under the Buhari Administration", 95.
[71]Olukoshi and Abdulraheem, "Nigeria, Crisis Management under the Buhari Administration", 96-97.
[72]Tom Forrest, "The political economy of civil rule and the economic crisis in Nigeria (1979–84)", *Review of African Political Economy*, 13, (35), (1986), 11-13.
[73]Okolie, "Oil rents, international loans and Agrarian policies in Nigeria, 1970–1992", 203.
[74]Nwozor, "Echoes of Divergence within: The Politics and Politicisation of Nigeria's Debt Relief", 26.
[75]Ibietan and Ekhosuehi, "Trends in Development Planning in Nigeria: 1962 TO 2012", 304.
[76] See Okolie, "Oil rents, international loans and Agrarian policies in Nigeria, 1970–1992"; Eka Ikpe, "The Development Planning Era and Developmental Statehood: The Pursuit of Structural Transformation in Nigeria", *Review of African Political Economy*, 41, (142), (2014), 545-560.
[77]Akinboye, "Africa's Debt Crisis...", 85.
[78]Ogunyemi, "Rethinking the Origin of Nigeria's Debt Burden...", 26.
[79] See Ngozi Okonjo-Iweala, *Reforming the Unreformable: Lessons from Nigeria* (London: The MIT Press, 2012), ch.6.
[80] Cited in Bassey Udo, "Nigeria's Foreign Debt up by 40% Under Buhari – NBS", *Premium Times* (September 19, 2017) https://www.premiumtimesng.com/news/headlines/243644-nigerias-foreign-debt-40-buhari-nbs.html/ (Accessed 10/03/2020).

[81]Samson Adenekan, "Nigeria to Spend a Quarter of 2020 Budget on Debt Payment", *Premium Times* (October 8, 2019) https://www.premiumtimesng.com/news/headlines/356695-nigeria-to-spend-a-quarter-of-2020-budget-on-debt-payment.html/ (Accessed 13/03/2020).
[82]Chinedu Asadu, "In Full: $1.25bn for Abuja Rail, $500m for NTA – Buhari's $22.7bn Loan Spending Plan", *The Cable* (March 6, 2020) https://www.thecable.ng/in-full-1-25bn-for-abuja-rail-500m-for-nta-buhari-22-7bn-loan-spending-plan/ (Accessed 10/03/2020).
[83]Adedeji Adeniran; Mma Amara Ekeruche; Olalekan Samuel Bodunrin; Abdelaaziz Ait Ali; Badr Mandri and Ghazi Tayeb, "Africa's Rising Debt: Implications for Development Financing and a Sustainable Debt Management Approach", *Discussion Paper*, (Global Economic Governance, 2018), 37.
[84]Adenekan, "Nigeria to Spend a Quarter of 2020 Budget on Debt Payment", *Premium Times* (October 8, 2019).
[85] Charles E. Ekpo; Jide Chime; and Frank N. Enor, "The Irony of Nigeria's Fight Against Corruption: An Appraisal of President Muhammadu Buhari's First Eight Months in Office", *International Journal of History and Philosophical Research,* 4, (1), (2016), 61-73.
[86] See Table 2 and Asadu, "In Full: $1.25bn for Abuja Rail, $500m for NTA – Buhari's $22.7bn Loan Spending Plan", *The Cable* (March 6, 2020).
[87]Anthony Osae-Brown, "Nigeria Senate Approves President's $23 Billion Loan Request", *Bloomberg* (March 5, 2020) https://www.bloomberg.com/amp/news/articles/2020-03-05/nigeria-senate-approves-president-s-23-billion-loan-request/ (Accessed 10/03/2020).
[88]Economic Confidential, "Nigeria's Oil Reserves'll be Depleted in 49 Years – DPR", (February, 20, 2020) https://economicconfidential.com/2020/02/nigeria-oil-reserves-depleted-49years/ (Accessed 12/03/2020).