Structural Adjustment Programme and National Sovereignty:

SAP was not the beginning of the wide-ranging "stringent measures" that African nations have had to adopt in recent times. An adequate historical account will have to trace the impact of colonialism or the pre-colonial social formations in Africa. This will allow an understanding of the outward, dependent and peripheral capitalist social formation that African statesmen inherited on the acquisition of flag independence. Aside from this, there will be a careful analysis of the international structures that Western capitalism established at the end of the Second World War which structures now provide an avenue of indirect re-colonisation of Africa. Since we cannot afford the space for such an effort, it is important that we assess the SAP policy as put in place in Nigeria.

Despite the persistent denial of the Nigerian government that SAP is externally inspired, the fact is that most African countries have been pursuing SAP as the statement by President Denis Sassou-Nguesso indicates. The SAP in many of these African countries actually came into force before Nigeria finally succumbed to international pressures under the Babangida Administration. So, there is no basis (as Nigerians will want and are being made to believe), that other African countries are merely copying Nigeria.

The foregoing is not to suggest that there is nothing unique about the Nigerian experience. As Professor Adedotun Phillips notes for instance, Nigeria rejected the usual I.M.F. loan that normally goes with SAP packages elsewhere. This, according to him, means the loss of concessional interest rates when compared to loans from other non-concessional sources. But then, the rejection of the I.M.F. loan does not free Nigerians from the painful clutches of the I.M.F., for as Prof. Phillips rightly states:

> There is no doubt, however, that Nigeria's SAP is being supervised by the I.M.F. and the World Bank, this being the pre-condition stipulated by Nigeria's foreign creditors. In fact, the inter-ministerial committee which is monitoring SAP is doing so within the data framework set up by the I.M.F. and the World Bank, which framework concentrates on financial aggregates and hardly on the real and structural trends and changes in the economy.2

In effect, the first basic issue about SAP is its impact on the supposed sovereignty that we acquired with flag independence. From all indications, the dictations of the London, Paris, Washington and Tokyo clubs through the Western controlled I.M.F. is not salutary to the psyche. But much more importantly, it clearly suggests a new type of re-colonisation.

Main Elements of SAP:

Leaving the sovereignty issue for now, we could enumerate the broad guidelines that the I.M.F. normally forces down the throat of debt-ridden developing countries in order to deal with the question of who benefits from SAP. The main ingredients of the "Nigerian" SAP package are as follows:

(a) strengthening of hitherto strong demand management policies;
(b) adoption of measures to stimulate domestic production and broaden the supply base of the economy;
(c) adoption of a realistic exchange rate policy;
(d) further rationalisation and restructuring of the tariffs in order to aid the promotion of industrial diversification;
(e) move towards trade and payments liberalisation;
(f) reduction of complex administrative controls simultaneously with a greater reliance on market forces;
(g) adoption of appropriate pricing policies, especially for petroleum products and public enterprises; and
(h) encouragement of rationalisation and privatisation of public sector enterprises.3

The main elements of this programme can be summed up as privatisation, rationalisation, devaluation, deregulation, trade liberalisation and withdrawal of subsidies. These elements are not different from the conditionalities that the I.M.F. had set for Nigeria during the two Administrations that preceeded the Babangida Presidency.4

Impact of SAP on Classes and Segments of the Nigerian Society.

Our analysis of the 1986 Budget clearly shows that this budget constitutes an embryonic version of the SAP.5 The issue of the privatisation of publicly owned enterprises has been a major policy shift that the Western capitalist economies have demanded from debt ridden so-called Third World countries.6

The Babangida Administration announced its intention to privatise. Despite the promises of a respect for the indigenisation decree as suggested in the 1988 budget, the demands of "Market forces" suggest clearly that neither cash strapped workers who are barely making ends meet nor subsistence farmers, who by definition have no surplus, can expect to benefit from the policy pressure from Western capitalism When the debt-equity swap that the World Bank has been suggesting to debt-ridden countries7 as a way out of their problem is read along with the pressure for privatisation8 by the I.M.F. it becomes clearer that the main beneficiary of privatisation will be the international bourgeoisie. If the workers are to receive anything, it is bound to be further retrenchment which has been a major policy package in the arsenal of the SAP and its preceeding measures. Furthermore, such privatised entities are bound to re-order their programmes towards the profit motive rather than social services, and it is the dominated classes that normally lose in such situations.

Rationalisation has meant the retrenchment of workers in the public sector. Such retrenchment has meant daily cries of woes by the working class that has continued to swell the army of the unemployed or the lumpen proletariat. These retrenchments are meant to save government finances which are now being diverted into primitive accumulation through the awards of contracts for rural development and high defence spending.9 Such procurements of armaments can only boost the pockets of government func-