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LOAN CONDITIONALITIES OF INTERNATIONAL MONETARY FUND AND THE QUEST FOR POVERTY ALLEVIATION IN NIGERIA

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Abstract

There has been a growing debate on whether the policies and operations of the International Monetary Fund (IMF) have actually helped Africa to tackle two of the most important contemporary global goals – poverty and hunger. Many claim that the IMF has rather accentuated poverty in developing and underdeveloped climes than alleviate it. Against this backdrop, this paper investigates the role of IMF in alleviating poverty and hunger, and its implication to the attainment of the Sustainable Development Goals (SDGs) in Nigeria. The secondary source of data collection was used and Case Study method applied to overview the detailed and intensive analysis of the roles of IMF. Relying on dependency theory, our findings reveal that the IMF strategies have hitherto been counterproductive in its attempt at poverty reduction in Africa. The policies and conditionality of IMF lending do not show IMF's genuine intention towards repositioning the country for significant poverty reduction and economic growth. Hence, Nigerian and African leaders are advised to look inward to solve the problems of poverty and hunger. The paper notes that with sincere and patriotic measures of diversification from the mono-economic base of Nigeria, economic growth will be achieved, hunger will be reduced, and sustainable development guaranteed.

Keywords: Development, Hunger, IMF, Nigeria and Poverty.

Introduction

Poverty in its various forms has increasingly occupied the attention of the international community since the last decade (FAO, 2005). Successive Summits have made commitments to drastically reduce the misery from which many humans suffer throughout their lives. Such attention is in itself an encouraging step forward, but actual progress is still painfully slow, even though measures to improve the livelihoods of the poor are affordable. Hunger and food insecurity - the most serious forms of extreme poverty - have now become international priorities, and participants in the 1996 World Food Summit made a solemn commitment to halve hunger in the world by 2015 (FAO, 2005).

The Millennium Declaration of 2000 consolidated and restated the commitments agreed during the preceding decade, and can be seen as the final stage of the Summit process. For the first time in a document of its kind, it stressed that, without policies and mechanisms to mobilize private and public resources on a much larger scale, the internationally agreed Millennium Development Goals (MDGs) for reducing poverty and hunger, social and sustainable development cannot be achieved. The Declaration is thus a starting point for renewed action in the twenty-first century. Having not achieved these set targets by 2015, the United Nations extended the target period for these policy options to 2030, rebranding it as Sustainable Development Goals (SGDs).

The presence and impact of the International Monetary Fund (IMF) has become very manifest in African politics and history. Coming into existence in 1944, the IMF was charged with ensuring exchange rate stability. According to its Article of Agreement, IMF's initial objectives were to facilitate the expansion and balanced growth of international trade, to promote exchange rate stability among its members, and to make its resources temporarily available to them under adequate safeguards, so as to correct existing maladjustments in their balance of payments (BoP). Thus, by definition, its role was defined as a short-term stabilization one (Dabour, 1999). Hence, the initial distinction between IMF's Stabilization Programmes (SPs) as opposed to the respective World Bank's (WB) Structural Adjustment Programmes (SAPs), which are characterized by a more long-term character (Giovanis 2015).

With the collapse of the Bretton Woods system to peg exchange rates within a context of uncontrollable inflating prices at an international scale, with the old ghost of hyperinflation dangerously revived, and many countries in desperate need for credit (capital) in order to finance their bloating BoP deficits created by the oil crisis, IMF was faced with a fresh for its financial resources (Diz, 1984). As the 1982 debt crisis exploded, IMF's activity expanded to developing countries as well (Polak, 1991; Collier and Gunning, 1999). Regarding the specific IMF policies adopted in the new era, Pastor (1987) posited that they heavily drew from the monetarist theoretical framework, with its emphasis on "current account and balance of payments improvements and inflation rate reduction". IMF's stabilization policies which should normally be limited to the short-term BoP and inflation problems rapidly intermingled with some more 'structural adjustment' ones, aiming at adjusting the prevalent domestic conditions of the recipient economy to the free market paradigm. Trade and price liberalization reforms, reforms affecting the taxation system and government spending, financial and banking system deregulation, labour market reforms, extensive privatizations, etc. were also incorporated to the IMF agenda (Mosley 1995; Mussa and Savastano,2000; Giovanis 2015).

However, many voices have insisted that, instead of promoting prosperity, IMF's policies have had disastrous effects on the recipient economies and overall economic activity with devastating poverty as repercussion. Kingston (2015) regretted that Africa's endemic poverty and pervasive underdevelopment have defied most of the development policy experiments of the last few decades. Neutrals observe that, no amount of excuses can hide the monumental failures of the internal African public policies, the complicity of African governments and the impact of the influence of the developed nations in the process. On the other hand, Political Economists such as Ake (1996) argue that, Africa's underdevelopment has largely resulted from the ways in which African states have been created and political authority shaped through interactions with the developed countries in the context of global economic and political systems. In line with this view, previous African leaders, notably; Kwame Nkrumah, Julius Nyerere and Thomas Sankara affirmed that the economic woes of Africa are due to the vagaries of the external environment which is controlled by the industrialized countries. They averred that, "Africa has turned into a pawn in the chessboard of experimentation for all manner of ill-digested development theories and pet hypotheses (Mkwandire 1999). Hence, Aloh (2018) sees the IMF's presence in African countries as a blessing which depicts catastrophe. This is because the IMF continues to encourage the monetary stability and economic expansion of the North at the detriment of the African states. This, in turn, raises the demand for national control, economic sovereignty and greater access to existing technology. However, the hegemonic disposition of the North through the instrumentalities of the IMF glaringly throws off the strides of the African people. Accordingly, Ake (1996) noted with dismay how the effect of unfulfilled promises of global development strategies has been more sharply felt in Africa than in other continents of the world.

Nigeria's experience in the unyielding hands of IMF aggravated the vicious circle of poverty and hunger which perpetuated the low level of development currently in the country. A country borrows to wrestle itself out of economic quagmire, but IMF loan conditionality presents a gruesome process and experience to the borrower. For Eyiuche (2005), it implies a circular constellation of force tending to act and react upon one another in such a way as to keep a poor country in a perpetual state of poverty. So there has been a clear backlash to the disastrous failure of development in the African continent hence their indebtedness to the Fund. Africa is indebted to over $1.3 trillion and it has seriously hindered the continent's abilities to provide for the basic needs of their citizens, and imposed "conditionality" interferes with government rights to make sovereign decisions (Mead, 2017). Thus Okafor (2004) asked a pertinent and revealing question "why an institution (IMF) which once failed to deliver in Europe was drafted to take the lead in the economic recovery of Africa and other developing world? The IMF financial packages and reforms have become notorious, leaving African countries in poverty and with mountains of debts. The IMF according to Akpuru-Aja (1998) "shows differing loan facilities and/or conditionalities between the multilateral owners and the rest of the needy countries". Such disparity takes the lead in making policy prescriptions which must be adopted by the African countries for loans to be given to them by the Fund. The rigid conventionality of the IMF in dealing with the third world countries exacerbates the precariousness of their economies.

Consequently, the inability of Nigeria to repay her loan has continued to decline her economy to the level that is pathetic and so caused the country to be dependent on new loans which are used for debt servicing. Nigeria has over the years followed the policies of the IMF and thus exported primary goods at very low prices, thereby suffering grave economic backwardness. The question which should agitate the mind is, 'Is IMF loan meant for economic recovery or recession of the borrower? The ruling class in Nigeria has become beclouded by the temporal and momentary gains and so exposed her fragile economy to hostile and draconian conditions of IMF loan. In the same vein, Eze (2002) frowned at intensifying the inflow of foreign capital, loans, grant and aids into Nigeria through a structural dependence on imperial metro pole. The unpatriotic public office holders in Nigeria led the country to her pitiable economic condition hence they borrowed without considering its biting conditions on the economy.

Conceptualization and Theoretical Framework

Development: The concept development is elusive; according to one view, development is a process of economic growth, a rapid and sustained expansion of production, productivity and income per head (sometimes qualified by insistence on a wide spread of the benefits of this growth). Another view sees development as a process that enhances the effective freedom of the people involved to pursue whatever they have reason to value (Giddens, 2006). For Cotgrove (1978), development is a multidimensional process involving the reorganization and re-orientation of the entire economic and social system. This involves, in addition to improvement of income and output, radical changes in institutional, social and administrative structure as well as in popular attitude, customs and beliefs. Dudley Seers in his contribution to the meaning of development argued that "the question to ask about a country's development are therefore; what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned" (Ujo, 2004).

Hunger: From the most comprehensive perspective, hunger describes the feeling of discomfort, that is the body's signal of needed more food. All people experience this feeling at times but, for most people, particularly in the developed world, this phenomenon is a fleeting event that is alleviated once the next meal is taken, causing no deep or permanent damage. When hunger or lack of food persists, however, the consequences can be devastating.

International Monetary Fund (IMF): IMF is an international financial organization that was formed through the pool of funds to help countries with poor balance of payment. Its primary mandate is to control the global financial system. IMF came into existence during the UN monetary and financial conference held in Bretton Woods (New Hampshire) USA. IMF was formally established on 27th Dec, 1945; 29 countries first signed the establishing Agreement or charter. IMF which has its headquarters in Washington D.C has the responsibility to evaluate and analyze the macro-economic policies of member states particularly those with significant impact on exchange rate.

In realization of IMF mandates, it provides financial assistance to member states experiencing serious financial and economic difficulties with the Fund deposited with it. IMF gets the borrowing country to conform to its economic policies and programmes which manifest in reforms, such as structural Advancement Programme, privatization, liberalization, commercialization, trade regulations, democratization and good governance. Akpuru-Aja (1998:193) notes that IMF was established by the western capitalist countries to help them recover from the shocks of economic depression in the

1930s, made worse by the adverse effects of the world war11. Those present at the Bretton woods conference in 1944 saw the need to prevent further economic breakdown and to cushion the harsh effects of the war which devastated the world's eco-system.

Nigeria: Nigeria is one of the leading countries in Africa and the most populous Black Country in the world today. Nigeria is a mono-economic country with oil as the main base but has several untapped mineral deposits. There is no state in Nigeria without an array of solid mineral deposits yearning for exploration. Nigeria as a third world country exports raw materials and imports finished products which have encouraged dependence on the developed countries.

Poverty: Poverty is relative and comparative. It means different things to different people based on conception, insight and orientation. To some, it is outright deprivation of quality food, good education, health and other essential necessities of life. To others, it could be understood as the inability to live a life of affluence. Oshewolo (2010) sees poverty to encompass different aspects of deprivation that relates to human capabilities such as consumption and food security, health, education, rights, security, dignity, decent employment. At the micro level, poverty connotes individual lack of potential and actual ability to provide for one's good and satisfaction. In this line, Boltvinik (2000) posits that poverty is a living condition in which an entity or individual is faced with some economic, social, political, cultural and environmental deprivations such as; lack of good food, poor drinking water, low life expectancy, poor health services, general lack of economic infrastructure and lack of active participation in the decision making process as it affects the individual. Conversely, at the macro-economic manifestation, poverty impacts much on a nation. It makes a country to be absolutely dependent on external borrowing and debt servicing. All the indices which point to development are completely absent or present at a very negligible level. It is relative and comparative hence Nigeria is not poor to Togo but poor to United States just as individual poverty is segmental in nature. Poverty in this work is used to mean the perpetual pitiable nature of the economies of the African countries. The African economy is in comatose condition which presents a vicious circle of poverty and hunger aggravated by low per capita income and it leaves no clear sign of early recovery.

Theoretical Framework

Dependency theory is used to explain the influence of developed economies on the political, economic and socio-cultural policy making processes of the developing states of Africa and the Caribbean. Dependency theory was first coined by a Brazilian Sociologist Fernando Henrique Cardoso (Akpuru-Aja, 1998), and also associated with Andre Gunder Frank. He focused on the global economic crisis and how to reposition the trend. Santo (1971) opined that dependency is a historical condition which shapes a certain structure of the world economy such that it favours some countries to the detriment of others and limits the development possibilities of the subordinate economies…. a situation in which the economy of a certain group of countries is conditioned by the development and expansion of another economy, to which their own is subjected. Dependency theory is thus based on the proposition that a country is underdeveloped because of its relationship with an exploitive superior economy.

In applying the theory to this work, it is important to expound the relationship between the poor states of Africa and the lending conditions of the IMF loan. Financial assistance to Africa by the IMF is a masked effort which has undisclosed intention programme by the western powers especially USA to further their domination of the Africa economy. The widening disparity between the "haves and the have nots" is more glaring in the bourgeois and proletariat relationship which exists among the developed and the developing nations. African countries have over the years experienced deficit trade balance with the advanced economies of the world. This is because Africa is foreign trade based, importing almost all needed consumer goods and machineries. The dependence attachment to those foreign goods makes encouraging local production difficult. Despite the obvious fact that the people are very poor, living below internationally accepted poverty level, they still import finished products which results in unfavourable balance of payment.

In such a precarious financial condition, Africa and its countries are left with no other option than to run to IMF for loan, the conditions notwithstanding. In a similar development, Africa in general and Nigeria in particular have been bedeviled by reckless management of the few available financial resources, egocentric official conducts and absolute insensitivity by the ruling class. The fore goings plunge Africa into the situation that makes dependence on IMF loan inevitable. It is also noteworthy to assert that a borrower is bound to accept the conditions of the lender if he must have money lent to him.

IMF Loan Conditions and the Poverty Alleviation in Nigeria

It is necessary to appreciate the conditions for sourcing loan from IMF and also to asses very critical how those conditions have helped economic growth or otherwise. IMF loan conditions are many. According to Akpuru-Aja (1998), the general loan conditions are: (a) Capacity to repay in hard currency (b) Readiness or preparedness to involve IMF in proposing designing and executing projects. (c) Evidence of governmental stability, and (d) A guarantee that the recipient country is not reactionary or communist inclined. The specific conditions include (a) Devaluation of currency (b) Wage freeze/Retrenchment of workers (b) Reduction in government social and welfare expenditures (removal of subsidies) (c) Trade liberalization to allow free flow of capital, labour and technology. (d) Privatization and commercialization of economic realms of public enterprises (e) Reviewing of interest rate periodically.

It is necessary to note that having the same lending conditions for all the countries of the world is antithetical to development in the underdeveloped economies of Africa. The above named conditions make it imperative for government to reduce spending on health, education and other welfare services. This is aimed at making provisions for either loan services or repayment. Gargan (1985) noted that Nigerian Head of State General Ibrahim Babangida said that he would not accept the IMF loan of $2.4 billion if Nigerian people opposed it. He asserted that the Head of State told the Nigerian populace that they should expect a lot of bad times and sacrifice. This he blamed on the possible effect of the loan if granted hence there will be sharp drop in the price of oil. Most of the IMF stipulated conditions lead to further misery for the developing countries. When the goods from the countries of Africa are exported at pitiable rates, governments still need to export more to have enough to repay debts. IMF loan creates less value for labour because there is need to have workers retrenched so as to reduce government expenditure. The question which yawns for answer is what happens to those retrenched workers and those who depend on them for survival.

More so, to attract foreign investors, a country that borrowed from IMF usually reduces standard and even removes regulations and the consequences are enormous. Most a times, the already poor borrowing nation is forced through IMF instrumentalities to peg its currency to the US dollar and this increases interest rate. It also causes inflation and harsh economic conditions. Some investors are forced out of business just as others pull out their assets to other conducive areas to avoid the danger of business collapse. USA owns 17.09% of the entire IMF quoted capital and a voting power of 16.79% followed at a distance by Japan with 6.13% and a voting right of 6.02%. The whole of Africa does not have 1/3 (one-third) of USA's voting capacity, no African country is among the first top 20 countries of the Fund and Africa is not represented in the Board of Directors of the Fund.

The foregoing information exposes the reason behind using the USA dollar as a standard of value in the world market. It also explains the rationale behind the major donor keeping the exchange rate to its favour even at the detriment of the already devastated and poor countries. Smith in Shal (2013) lamented that IMF encourages the so called today's "free trade" which causes millions of children to end up dying each year. This is unfair as it is seen by some to be one way of extraction which serves to maintain unequal free trade. Smith further continued to note that IMF's structural Adjustment programme transfers wealth from the periphery to the imperial centre. This exacerbates dependency and abject poverty. There is inherently impaired transfer of technology and this encourages reliance on imported finished products and such situation makes the poor economy to be more vulnerable hence its pathetic nature. Shah (2013) notes how Yaya Orou-Guidou a Benin Republic Economist lamented that exporting raw materials and agricultural products from Africa would not help to fight poverty. Those raw materials he added should be processed in the same poor country to help create a multiplier effect. However, the advanced economies will not subscribe to Orou-Guidou's view because such will amount to defeating the intentions of IMF loan and the imperial hegemony. Exporting raw materials at giveaway prices make the exporting country to be a consumer nation which enriches the country with the finished products as it impoverishes itself. In 2012, the price of Nuts dropped tremendously in Senegal as it faced debt repayment problems. Regrettably, to make things worse for Senegal and to further reduce price, US subsidized their own nuts.

Stiglitz (2001) notes that privatization creates avenue for some corrupt politicians to sell off state owned ventures. He further remarked that when there is capital market liberalization and the outflow 0f capital happens to seduce speculators, the IMF demands increased prices of essential services such as healthcare, education and food to make provision for what Stiglitz likens to 'opium wars'. IMF and its donors are egocentric and hypocritical because if there is sincere intent to develop poor economies, efforts should have been geared towards encouraging local production of those imported finished goods which are obviously produced with the raw materials sourced locally within the country. What is the wisdom in taking the raw materials away and thereafter export same to the country that exported the raw materials? That should explain the irony of the IMF loan and the resolved desire to engrave poverty on the African continent.

The disturbing scenario is that Africa and Africans do not have the capacity to look inwards for the desired solution. There is serious psychological amputation which revolves around to embellish the negative feeling that reliance on the western wherewithal for development is a step in the right direction. In reality, it is deepening Africa's poverty and at the same time closing all avenues for escape. How have IMF conditions stimulated economic growth in Africa? Are they really needful for economic transformation in Africa? Has aggressive trade condition done anything to improve living standard. Why should elected government officials be made accountable to US through its institution [IMF]? Imagine the rape of democracy and erosion of sovereignty in African region.

The foregoing questions which real and positive answers are not readily available account for the asymmetric relationship between IMF and African economic development. There is absolute lack of honesty in the Fund's loan. The loan has persistent long term economic distorting plan but coated with appealing juicy outer cover. The perpetuation of impunity by dubious government officials with foreign collaborators championed by IMF leaves no one in doubt of the nefarious activities of the Fund.

One can argue that Africa was underdeveloped before borrowing from IMF. The assertion could be believed but IMF gradually and systematically compounded the crisis. The financial hemorrhage caused by the Fund in Africa is unimaginable and striking. The occasioned imbalance in the world economies can hardly be traced to any other factor except the stringent measures of the IMF. Inflation which is caused by the realities of the Fund conditions result in a serious contraction of saving capacity. Dambele (2004) noted that Africa's industrial sector has been among the biggest victims of structural adjustment. From Senegal to Zambia, from Mali to Tanzania, from Cote d'Ivorie to Uanda, entire sectors for the domestic industry have been wiped out with devastating consequences. Ghana between 1987 and 1993 had its own share of the devastation. It made Ghanaian citizens to do menial jobs to earn a living. Their girls and young women were pushed into harlotry in all parts of the globe. Their notorious nature was so unbearable to many African countries to the extent that even the Nigerian government forced them out of the country in "Ghana must go policy" such pitiable condition was made prevalent by the agonizing pain of the IMF.

Nigeria's Experience in the recent Past

Nigeria economy has been in a serious economic quagmire since July 1986 when the country was plunged into structural adjustment programme. Nigeria was unable to meet up with her recurrent expenditures talk less of capital projects. There was total decay in all facets of the Nigerian existence which resulted in excruciating economic experience. Nigerians sought for any available source of livelihood in order to survive. The Naira exchanged 50k to one US dollar during Shagari's administration (1979-1983). In 2012, it was between N50 and N150.25 to a dollar. Today the story is disturbing because Naira fluctuates between N390 and N500 to one dollar. Nigerians suffer the penury associated with such unfortunate development. The Naira became almost worthless as its purchasing power decreased drastically. This made those who could have contributed meaningfully to her economic recovery to leave the shores of the country to look for greener pastures. Nigerians have immensely contributed to the development of other Westerns countries, yet Nigeria remains a dumping ground for the products rejected in other places. China for instance has different qualities of goods for different countries. Nigeria's quality is among the least in the world. The little earned income is spent on goods which do not worth the prices they are bought. Nigerian citizens, mostly the semi-skilled, are subservient beings in every department of life. It is grossly regrettable that the much inflicted infamy has been elongated. The biting effects could be seen in the following selected sectors.

Agricultural Sector: Nigeria which was known for her agricultural prowess, feeding her citizens and exporting to other countries suddenly became a toothless bull dog. The Northern part of Nigeria was known for groundnut, West for cocoa just as the East had comparative advantage on palm produce. These goods and more earned Nigeria huge income. Investors were also attracted into the country. Companies like Lever Brothers, UAC, CFAO etc flooded the country and created employment for Nigerian youths. Unfortunately, those companies fled the country when agriculture was allowed to die off. Nigeria became mono-economic reliant on oil and every other thing crashed without mercy. Nigeria has fertile soil, a good climate and endowed with enabling human resources, yet Nigeria suffers from huge and acute mal-nutrition, Eyiuche (2005) noted that Agriculture accounted for over 70% of the GDP by 1960 but gradually declined to 34.06% by 1973/74. As has been earlier stated, the decline was as a result of the apparent neglect of Agriculture and preference for Oil. It should be emphasized that Malaysia which is today the world highest producer of palm products took palm seedlings from Nigeria. Today, Nigeria imports palm produce from Malaysia. This further explains Nigeria's inordinate desire to enrich others while impoverishing self. The present effort by the country to diversify base, though late is a step in the right direction. The clarion call to ban the importation of Agricultural products will help to reduce the rate of unemployment and have enough food for the teeming population. Nigeria is capable of feeding the entire African continent considering her arable land if well utilized.

Educational Sector: The Education sector is terribly affected. There is horrific deterioration of the education system of the Nigerian nation. Several educational plans have been articulated for the country without corresponding implementation. The present 6:3:3:4 is not structured to make students self-reliant hence it's non-practical approach. Nigerian students on graduation wait for the non-existent white cola jobs instead of getting involved in entrepreneurial works. In a similar development, the government has not adequately equipped her secondary and tertiary institutions to provide the much needed practical oriented courses. The question is: what is wrong with the Nigerian Education system? There are over 170 Universities (both public and private) in the country coupled with countless Polytechnics and Colleges of Education, yet Nigeria has paucity of relevant manpower to turn the country around for optimum production. It is funny to note that while our teeming school-leavers are without jobs, the country still need the expatriates to fix her industries, roads and other sectors. This is indeed regrettable and unfortunate as it confirms the assertion of Ake (2003:16) that "the lack of self-confidence has been obvious in the behaviour of many African leaders". He further explained that the states of mind which produce such behaviour and attitude cannot be conducive for development.

Power Sector: The epileptic power supply in Nigeria is really causing untold hardship to Nigerians. The unreliability of the power sector has greatly disrupted production and productivity. Nigeria is endowed with consumable energy resources but they have remained untapped. The huge amount of money already sunk into the sector notwithstanding, the problem remained unsolved. How can the industries in Nigeria grow hence the contemptible manner? The complete commercialization of the Electricity Distribution Company did not perform the expected magic. The poverty rate in Nigeria is worsened on daily basis with non-availability of power. There is also unimaginable urban drift by the able bodied men and women. How then can there be true diversification. The wealth of the countries is still buried under the ground hence there is no sufficient power supply to tap the resources.

It is laughable to observe that in spite of the nagging plethora of problems in the sector, Nigeria government does not see the need to put a round peg in a round hole. A situation where a legal luminary heads the Power sector while there are countless qualified Electrical Engineers in the country tells it all. The politicization of virtually everything in the country does not show readiness for pragmatic and robust efforts to realize the desired result. Ukpong observed that capacity constraint was the main cause of electricity failures in Nigeria (Ukpong in Eyiuche 2005). The need to overhaul the sector is obvious and timely.

Health Sector: The Health sector has serious challenges owing to paucity of fund. The money which should have been used to effectively equip the nation's public health Institutions had been used for debt servicing and rescheduling. The enormity of the amount of money expended on treatment outside the country by affluent Nigerians is unspeakable. Those at the helm of affairs in the governance of the country seek for medical attention in Europe, Asia and America while leaving the country's health sector to waste away.

The middle and low income earners who cannot afford oversea treatment are left to their fate. There is high mortality rate in the country which is inimical to development. The need to fix the health sector cannot be over emphasized hence the need to stop the rush to outside for medical solution. More so, the medical personnel in the country do not have conducive atmosphere to practice. This is manifest in the sector and it is responsible for the incessant industrial actions prevalent among health workers in Nigeria. There is no trust in the sector in handling serious health challenges in the country. The absence of President Muhammadu Buhari from the country for nearly a year while seeking medical care in the United Kingdom is a good pointer to the deplorable condition of the health sector. A lot of deceases are ravaging the citizens of the country without the corresponding medical care. Nigeria claims to be the giant of Africa yet far below South Africa in basic areas. All these are orchestrated by the effect of the huge indebtedness of the country.

Conclusion

This work presented a logical and critical chain of argument that exposes the domineering dispositions of the International Monetary Fund in perpetuating poverty in Nigeria and by extension other countries of the African continent. Its loan conditions are shrouds with real intentions which manifest on implementation as the effect stares negatively on the populace. Nigerian leaders should come to grips with the devastation done on the economies by IMF. The obvious need to look inwards for solution cannot be over emphasized. Truly, Nigeria's help for development can neither come from IMF nor from the Western capitalist hegemonic countries. Therefore, there is overwhelming need for the country to have self-re-examination and come up with lasting remedies to grow its economy and emerge from underdevelopment.

The cardinal focus to reduce poverty in Nigeria should be to say no to corruption. Vigorous and integrated agricultural development, viable and practical oriented education, uninterrupted power supply and functional affordable quality health care services are the panacea for effective poverty reduction in Nigeria. These are achievable through consolidated and unrelenting exploration of the abounding mineral deposits in the country. More so, the leaders and the led should as a matter of necessity cultivate the habit of self-denial by being conscious of allowing national interest to override other self-infused issues. Finally, it is erroneous to believe that Africa cannot become prosperous without the assistance of the self-esteemed industrial powers and their self-interest serving IMF.

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