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Nigeria's Debt Burden and the Challenges of Economic Development: A Discourse in Third World Profiling.

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Abstract
Nigeria, with a population of over 200 million people, is a resource-rich country that has been grappling with significant debt burden despite its vast natural resources occasioned by the activities of external actors. This has affected its international image. The origin of her indebtedness is traced to the 1970s when the country began borrowing extensively to finance various development projects. Since then, the trend has continued unabated with profound implications on her national life. This study therefore investigated Nigeria's debt burden and the challenges of economic development with an eye on the theoretical debate on external interest in profiling of third world states. The study was divided into three main subsections respectively. It examined the resource curse theory and other theoretics that help explore the phenomenon under investigation. The study employed a mixed-method approach to examine the dialectical relationship between external interest in Nigeria's domestic affairs and her debt burden and the implications of this on her overall economic development efforts vi-s-a-viz its profiling among the comity of nations. It adopted qualitative and quantitative analysis of data. Results from the study show that Nigeria's debt accumulation, driven by government misdirected spending, resulting from the nature and character of economic policies that are rooted in external interests has negative implications for economic development. While debt is utilized as a tool for financing development projects, its mismanagement and resultant excessive accumulation in Nigeria resulting from the gimmicks of external interest hinders sustainable development and exacerbate socio-economic inequalities. Thus, the study recommended, strengthening institutional capacity to manage borrowed funds; investment in critical sectors to enhance socio-economic independence, and prudent debt management, transparency, and accountability to mitigate the adverse effects of excessive borrowing in Nigeria and other third world states which has conditioned her image in the international arena.
Key words: **Debt Burden, Economic policies, External interest, Profiling, Third world states.**

Introduction

The debate on the role of external forces in ensuring the perpetual indebtedness of third world states and Nigeria in particular has remained unending and much more vigorous in recent times following her debt profile and the smearing of their image at the international arena. Nigeria, like other third world states, is a resource-rich country that has been grappling with a significant debt burden despite its vast natural resources (Oti, 2018). The origin of Nigeria's debt burden can be traced back to the 1970s when the country was cornered into extensive borrowing to finance various development projects whose goal was to catch-up with the west that has, pejoratively, become the ultimate model and standard for determining developmental strides (Olaniyi, 2019, Ukaegbu, 2023). The situation worsened in the 1980s and beyond when global oil prices crashed, leading to a decline in Nigeria's revenue from oil exports. This had serious and profound implications on Nigeria's debt profile and affected her potential for socio- economic transformation. One of the most significant consequences has been a stunted gross domestic product (GDP) growth rate standing at 2.31% in 2023 and 2.98% in the first quarter of 2024, hampering Nigeria's overall economic progress and sullying her international image (Debt management office. 2024). Additionally, the debt burden has hindered export growth and contributed to a decline in income per capita, exacerbating poverty levels and ranking Nigeria as the poverty and debt capital of the world (Oti, 2018). Furthermore, the provision of basic social amenities such as healthcare, education, and infrastructure has suffered due to the strain imposed by debt burden (Ndoricimpa, 2020). The situation appears more pathetic considering the fact that Nigeria's national budget is projected on the basis of serviceable debts with no concrete plans of repayment.

In this regard, debates have arisen among economic experts, policymakers, and theorists regarding the causes of Nigeria's mounting debt burden and the implications of her indebtedness to her profiling or imaging among the comity of states. Some argue that it primarily stems from poor economic policies and mismanagement of resources by the government (Ogunjimi, 2019). Others have attributed it to external factors such as the global economic downturn and the decline in oil prices while others have argued that it is a consequence of the self-seeking and neo-colonial character of her dominant class (Ndoricimpa, 2020). While the debate remains simmering, what remains indisputable is that the challenges faced by Nigeria in achieving sustained economic development have made the mounting debt burden a pressing national malady and a burning issue requiring a shift in theoretical prognosis. The last ten years of democratic sojourn in Nigeria (2015-2025) have added entirely new dimensions that have shaped Nigeria's debt landscape. Being heavily reliant on oil exports whose proceeds are dispassionately appropriated by her ever consumption-oriented political class, Nigeria has experienced severe blows to its economy due to the dynamics in global oil prices and the internal politicking that goes with the Nigerian political milieu. This have had profound impact on the country's revenue and its capacity to meet the socio-economic yearning of her citizenry, prompting the government to resort to increased borrowing to address budget shortfalls, consequently leading to a surge in the country's debt burden and her negative debt profile. This trend, though, not for once separated from the gimmicks of external influence and interest, has significant implications for economic growth and overall development. While borrowing can finance critical infrastructure projects; stimulate economic activity, and provide social services, excessive debt injected with external interests, can strain the economy, reduce fiscal space, and increase vulnerability to external shocks. The servicing of debt can divert funds away from essential sectors and impede long-term economic growth.

Thus, in recent times, Nigeria has witnessed substantial borrowing from both domestic and international sources up to the tone of $33billion under Buhari administration and 20.1trillion under Tinubu's administration from countries like China, France, Japan, India and Germany (National Bureau of Statistics, 2021, Vanguard News, 2024), resulting in a notable shift in the country's debt profile. Extant works also reveal a very disturbing trend in Nigeria's debt landscape. Since 2015 for instance, the country experienced a surge in external debt, increasing from $10.32 billion in 2015 to approximately $33.38 billion in 2022. Similarly, domestic debt rose significantly from 8.84

trillion naira in 2015 to approximately 19.64 trillion Naira in 2022 and over 56,024 trillion in 2024 (National Bureau of Statistics, 2021, Vanguard News, 2024). As a result, Nigeria's debt-to-GDP ratio has gone beyond 50% in 2024 (Ekeruche, Folarin, Ihezie, Okon, and Olasode, 2023, Debt Management Office, 2024). Thus, Nigeria's GDP growth rate has continued on a steady decline indicating the negative impact of debt on socio-economic life and the strain of servicing debt that invariably diverts funds from essential welfare programs (Ekeruche *et al*, 2023).

At face value, high levels of debt orchestrated by external forces can crowd out private investment, reduce investor confidence, and impede economic growth. Hence, examining the relationship between debt and economic development can provide insight into the potential trade-offs between short-term borrowing for economic stimulus and long-term sustainability. Thus, understanding the reasons, trend and composition of Nigeria's debt burden is crucial for gaining insight into the country's financial situation and the present socio-economic outcry of its citizens as well as her image profile at the international stage. This paper is therefore focused on examining the external interests behind Nigeria's perpetual indebtedness and its implications for economic development. This objective required the application of a theoretical and dialectical framework that acknowledges the contradictory forces within the Nigerian political space and their potential to generate retardations, changes and progress working simultaneously to better or worsen the Nigerian state at home and abroad.

In the light of these rather disturbing figures, an organized theoretical expose' of the causes and consequences of Nigeria's debt burden; a type that explores the dynamics of external forces like imposed economic policies, borrowing terms and repayment conditions, engagement of personnel for the execution of intended 'development' programmes/projects, resource management and external factors such as global economic fluctuations and oil price to present a balance and nuanced view of Nigeria's debt burden and the challenges of her economic development is rife. To this end, the present study is guided by two key problematic: Is there a dialectical relationship between external interest in Nigeria's domestic affairs and her debt burden and what are the implications of Nigeria's debt burden on her strive for economic development and improved international image. Thus, understanding why this debt persists become a pressing problem requiring serious theoretical investment and extant literatures are yet to give adequate systematic theoretical treatment to it, hence the need for the present research effort.

Literature, Theoretics and Methodological Considerations

Generally, the present study examined Nigeria's debt burden and the challenges of economic development with specific attention on the theoretical debate surrounding external interest injected in the profiling of third world states. To this end, the study pays particular emphasis on the views of scholars. The theme of external interest and its impact on Nigeria's debt burden has drawn significant attention from researchers and policymakers and volumes of literature has accumulated. By external influence, we intend to describe the involvement of external actors, such as international financial institutions and foreign creditors, in Nigeria's economic decision-making processes, which may affect the country's debt burden and domestic policies. As argued in Oyinlola and Akintoye (2019) and Ukaegbu, (2023), external interference in heavily indebted countries often have negative consequences. Usually, external actors may impose strict conditions on debtor nations in exchange for financial assistance or debt relief. These conditions, such as austerity measures, privatization policies, or economic reforms, are often detrimental to societies and can undermine domestic priorities

External influence also diminishes a country's international image and sovereignty; as foreign powers gain significant control over decision-making processes. Scarcely do they provide benefits to debtor countries in form of financial assistance through loans, grants, and debt cancellation initiatives or technical support that help build domestic capacity. Even when they seek to transfer knowledge and expertise that can strengthen areas like governance, economic management, and institutions, its ultimate goal spell more doom than the supposed benefit (Ukaegbu, 2023). Thus, International organizations, like the World Bank and the International Monetary Fund (IMF), have played a pivotal role in shaping Nigeria's indebtedness. Nwankwo (2005) noted that "The involvement of international financial institutions in Nigeria's debt crisis led to the implementation of structural adjustment programs (SAPs) in the 1980s and 1990s, which resulted in increased borrowing and economic challenges that culminated in the chain of violent student-led anti-government protests that occurred throughout Nigeria between May and June 1989 (Nnabugwu and Ukaegbu, 2024). The conditions attached to loans from these institutions impacted Nigeria's economic policies as they required policy reforms that never aligned with the country's long-term developmental goals and the basic needs of the people.

Thus, while SAPs were introduced with the aim of addressing Nigeria's economic challenges, the external interests and objectives technically injected into it, albeit, hidden, led to increased borrowing and greater difficulty for the Nigerian state as the country sought to meet the stringent conditions set by the lender nations. The result was a complex interplay of economic challenges, increased indebtedness, and the need for policy adjustments that, in some cases, conflicted with Nigeria's long-term development goals. Another source of concern is China's increasing involvement as a creditor- nation to third world states and Nigeria in particular. The source of this concern lies in the exponential increase in Nigeria's indebtedness to China in recent times. This level of indebtedness could have significant implications for Nigeria's economic and political landscape and image at the international arena including the possibility of alignment or ideological shift in the coming days. For one, indebtedness to China has often been criticized for their lack of transparency, and resultant difficulty to really understand the terms and conditions of these loans. As such, borrowing from China raises questions about the financial commitments and obligations that Nigeria may have entered into. Transparency is essential in debt management and financial dealing with external actors. It would ensure that the country is fully aware of its liabilities and can make informed decisions about its financial future. Many a times, this is thrown overboard by the nature and character of Nigeria's borrowing engagements. This is purely intentional. If terms and conditions are clearly laid bare, informed Nigerians will certainly oppose it because of its consequences, now and in the future. For instance, Oyinlola and Akintoye (2019) contend that China's involvement in infrastructure projects, often funded through loans, have long-lasting economic consequences. Bye and large, they lead to a substantial increase in the debt burden of the borrowing nation and affect their foreign policy thrust thereby adding additional layer of complexity to the existing financial situation.

Theoretically, external actors' support and involvement in Nigeria's debt management are often influenced by geopolitical considerations. Such lending nation(s) potentially shape the country's economic policies and borrowing decisions and this in turn affect the direction of her international politics and ideological leaning where such is essentially traded (Akindele and Oyinlola, 2017). Such external influences can have negative effects on Nigeria's debt burden and economic stability. Conversely, Anyanwu (2015) argued that, Nigeria's debt accumulation can be partly attributed to internal economic factors, such as low revenue generation and fiscal deficits, rather than solely external interference. According to him, internal economic challenges such as overreliance on oil revenues, weak revenue collection, corruption, and inadequate budgetary control contribute significantly to the country's debt burden. This is half-truth if it is accepted hook, line and sinker without recourse to the role of western imperialism in the ever increasing debt profile of Nigeria. It is akin to giving a person a rope to hang himself while exonerating oneself from the very act.

As argued elsewhere and as rightly observed by Harrison (1987), western powers championed by the U.S always took practical steps to ensure that no political or economic policies aimed at stepping up third world countries was ever implemented. By this token, even the manufacturing of the smallest item humanity would use like tooth pick will have its origin in western countries thus making third world countries perpetually dependent on the west. Hence. poor internally generated revenue is not unconnected with weak economic activities or outright blocking of what is genuinely in the economic and political interest of poorer countries most of which are in Africa. This is premeditated and intended to give way for the age long dependency challenges of third world states. Thus, these countries will at all times remain helpless in the face of the slightest economic, environmental and health challenges thus, requiring the eternal linkage with more advanced countries who will assume the messianic position in rescuing the prevalent situation by offering funds generated from similar economic activities which they disallowed other states from doing. Note also, that no nation in the world is gifted funds from nature. All funds result from economic activities and the volume of fund accumulated and of course dispensed as loans or financial facilities is a direct consequence of the nature and character of the economic activities such states engage in. Hence, producing states are naturally lending states while consumption-oriented states are more or less borrowing states.

So, lending and borrowing are products of economic activities which states do or refuse to or cannot do. As such, low revenue generation, fiscal deficits corruption and inadequate budgetary control preferred by Anyanwu (2015) as causes of Nigeria's increasing indebtedness ignores the primordial external interest in Nigeria's economic condition. Lending and borrowing are products of operant economic conditioning of one state by another. Accordingly, Offiong (2001) posited that: when Africa's economic crises of the 1980s began and stylishly snowballed into the 90's and causing even greater disaster in the 2000s impoverishing Africa as a continent and Nigeria as an independent state it did not come as a complete surprise to keen observers of global trends. Clearly, in the 1970s, indications that the world economy was beginning to tail off were already glaring but this made little or no sense to African leaders who have become white washed in their psyche and neo-colonial mentality. One of the effect of this is the cultivation of consumption-oriented attitude which integrates full acceptance of foreign made goods and repudiates locally made ones. To this end, unsustainable spending practices, both of individuals and the state that result in fiscal deficits and trade imbalance have become major drivers of increased borrowing. This creates a situation where government expenditures consistently exceeded revenues leading to the growth of budget deficit. To bridge this budget gap, the government resorts to borrowing, often by issuing bonds or seeking loans, which adds to the country's debt load.

Thus, Nigeria's debt burden and servicing obligations has led to reduced public investments and lower government spending on critical sectors, impacting the country's overall economic performance when compared with other nations in the international system (Nwankwo, 2010). This is inevitable as a substantial portion of the national budget is allocated to servicing debt thereby leaving fewer (if any) financial resources for essential public investments in critical economic activities that could make funds available to end the cycle of borrowing. From the foregoing, it becomes clear in part, why Nigeria will continue in debt and struggle with creating jobs, overall well-being of its citizens, human capital development, social capital development, prudent economic policies and other positive economic indices (Ogunmuyiwa, Olanrewaju and Afees, 2018). Beside the above, Nigeria's debt burden usually influence its borrowing decisions in the domestic financial market. It is argued that high debt levels can lead to increased interest rates in the domestic market, making borrowing costlier and potentially impacting investments and economic growth. This indicates the feedback loop between debt burden and borrowing conditions within the country. So, when Nigeria carries a significant debt burden, it can put upward pressure on interest rates in the domestic financial market. This is because lenders may perceive the government as a higher credit risk due to the elevated levels of debt, demanding higher interest rates in return for lending funds. As a result, both the government and private businesses seeking loans face increased borrowing costs.

This higher interest rates can have far-reaching consequences on the country's image, investment and economic growth. Increased borrowing costs makes Nigeria 'a hand capping' nation in need of financial help. It may deter businesses from taking on new projects, expanding their operations, or investing in capital-intensive ventures. For the government, the higher interest expenses further strain the budget, reducing resources available for public investments and social services. This dynamic creates a feedback loop between Nigeria's debt burden and the conditions under which it borrows domestically.

A close look at the character of external influence in the indebtedness of Nigeria and its profiling as a debt ridden state is the conditioning of her political climate. This highlights the role of external pressures and political considerations, which may shape the country's economic decisions and borrowing practices. To him, the debate should also revolve around the political climate in Nigeria. Political leaders often face pressures from various external entities, such as international financial institutions or foreign governments, to adopt specific economic policies or agree to terms for loans. These external pressures can lead to financial arrangements and borrowing conditions that may not align with the country's long-term development goals or financial sustainability. On the other hand, domestic economic policies and overall economic performance can influence Nigeria's creditworthiness in the eyes of creditors. Adegbie, Folajimi, Fakile, Afolabi, Odusola and Ayodeji (2017) emphasize that the growing nature of Nigeria's indebtedness affects the country's reputation and access to favorable borrowing terms in the international financial market. Nigeria has had a long relationship with International Financial Institutions like the World Bank and IMF, who have provided the country with loans and economic policy advice for decades. However, the role these institutions have played in shaping Nigeria's debt management strategies and policies is debated. Primarily, IFIs have been accused of prioritizing debt repayments and implementation of neoliberal economic and political policies over local needs and have made this the basis for offering loans to third world states. Thus, by the mid-2000s, Nigeria's growing external debt from the 1970s onward had ballooned to billions of dollars with no end in sight (*Thisday*, 2005).

Because of the magnitude of her indebtedness, Nigeria is normally classified as one of the countries in need of financial mercy and pardon of foreign states especially those in the capitalist west. Thus, in 2004-2005, frantic efforts were made by individuals and functionaries of the state to engage lender nations into debt relief options. Consequently, Nigeria benefited from some debt relief under the Heavily Indebted Poor Countries initiative, marking an important turning point in the reduction of debt volume over time. How the Debt Management Office was established in 2000 and Nigeria's first Medium-Term Debt Management Strategy published in 2005 with IMF technical support, centering on sustainability, transparency, and prudent borrowing based on projected government revenues has been discussed. At face value, the initiative was good but the persons involved in fashioning the modus operandi still represented albeit hidden, the interest of the lender nations. Thus, the growing indebtedness of Nigeria attest to the success of neo-imperialism in Africa as it further deepened IFI involvement in Nigeria's debt path and the seeming failure of the said initiative.

In theory, one major debate in the literature surrounds policy conditionalities attached to IFI loans and whether or not they respect Nigeria "ownership" over economic decision-making. Ogbeidi (2012) explained that external conditionalities mandated neoliberal reforms on recipient nations in the 1980s and this seems not to have changed over time. This included deregulation, trade liberalization, and spending cuts. Theorists like Ogbeidi (2012), Nwanolue and Iyoha (2013) and Anyanwu (2015) argued that this undermined localized solution better suited to Nigeria’s development challenges. Accordingly, they posited that debt conditionalities still predominantly shaped Nigeria's economic choices through reforms prescribed in Poverty Reduction Strategy Papers and IMF/World Bank strategies. A review of this policy document reveal that these conditionalities were never intended to achieve development results. Hence, accepting loans under them meant that Nigeria has limited policy space or ability to prioritize all domestic reforms (Nwanolue and Iyoha, 2013).

Again, when international organizations are used to negotiate debt relief, they still portend grave dangers to borrowing states. Kaiser (2005) for instance, reported that creditor states must first agree on economic prerequisites with the IMF. Terms are then negotiated based on the country's payment capacity. It is also true that the process aims to restore debt sustainability and promote continued market access to credit facilities. Thus, debt relief depended on multilateral loans from the World Bank and payment of arrears clearance fees. To this end, any relieve sought by an indebted state must be tied to IMF programs (Panizza et al., 2009). Therefore, over the years, debt stocks were only reduced by an average of 35%, with up to 50% rolled into new loans aside the drastic policy changes that are associated with such debt reliefs (Kaiser, 2005). For us therefore, the knowledge and prospect of obtaining debt relief does not appear a viable justification for borrowing. In view of the foregoing, the resource curse theoretic needs to be examined albeit briefly and the survey research design adopted for the study.

The resource curse theory explains how countries rich in valuable natural resources, like oil, uranium, copper etc. can face economic challenges leading to high external indebtedness due to their heavy reliance on these resources. In 1993, Richard Auty first used the term to describe how countries rich in mineral resources were unable to use that wealth to boost their economies and how, counter-intuitively, these countries had lower economic growth than countries without an abundance of natural resources. The theory was adapted into Political Science by Humphreys, Sachs and stiglitz (2007). In their joint study, they posited that resource rich countries rather than benefit from their wealth, they experience negative consequences that hinder economic growth and development making borrowing to fund capital expenses expedient. One key proposition of the resource curse theory is the "Dutch Disease" effect, where revenue from resource exports can lead to the appreciation of the country's currency. This, in turn, makes other export sectors less competitive, harming overall economic diversification (Corden & Neary, 1982). Another important aspect of the theory is the concept of a "rentier state." This describes a situation where a government heavily depends on resource revenues to fund its operations. The abundance of such resource income might reduce the government's incentives for effective governance, leading to weak institutions and corruption. Resource-rich countries are also susceptible to economic volatility due to fluctuations in global commodity prices. This can result in revenue instability and hinder long-term planning. The resource curse theory suggests that the presence of valuable resources can exacerbate political and social tensions, potentially leading to conflict and instability (Auty, 2001).

Several other theories have influenced and complemented the resource curse theory, offering additional insights into the complex dynamics of resource-rich economies and how this accentuate her debt crises. These theories are: Institutional economics which explores how the rules, norms, and institutions in a society affect economic behavior and outcomes (Acemoglu & Robinson, 2012), the political economy approach which examines the interactions between politics and economics in shaping economic policies and outcomes, The Dependency theory which focuses on the relationships between developed and developing countries and argues that external interests in a country's resources can influence its economic policies and exacerbate the negative effects of resource dependence and external debt crises (Frank, 1969). The economic diversification theory which highlights the importance of economic diversification to reduce dependence on a single resource. Resource-rich countries that fail to diversify their economies may face increased vulnerability to fluctuations in global commodity prices leading to high chances of indebtedness (Ross, 2001).

In line with the objective of the present paper, the study made recourse to a survey research design. A survey research refers to a particular type of research design where the primary method of data collection is by survey. That is, mapping out a section of a population and conducting experiment on them, then generalize the result of the experiment on the whole population. The population utilized in this study are debt management office, Nigeria Union of Journalist, office of statistics and economic planning as well as members of Anambra State House of Assembly as well as other identified stakeholders in the financial operations of Nigeria. Thus, a structured questionnaire was used as the primary instrument of data collection. The area of study includes the relationship between debt burden and economic development in Nigeria, the connection between external interest and Nigeria's substantial debt burden and the impact of Nigeria's debt burden on her image profile at the international arena. The researcher utilized a structured questionnaire as the primary instrument of data collection. Also, secondary data was collected using documentary method of data collection. The data was analyzed using textual analytical method. The five-point Likert scale of Strongly Agree (SA), Agreed (A), Disagreed (D), and Strongly Disagreed (SD) was used to calculate the responses of the respondents. SA received 4points, A is 3, SD is 2 points while D received 1 point. Responses from the questionnaires were presented using statistical tools such as tables and percentages and the hypotheses formulated for the study were tested using the chi-square (X^2) statistical tool given as:

Chi-square, $x^2 = \underline{(O\text{-}E)^2}$

E

Where O = observed values of frequencies

E = expected values of frequencies

X^2 = chi-square

In terms of the decision rule, null hypothesis is accepted if calculated value of Chi-square is greater than the critical value of chi-square or null hypothesis is rejected if the critical value of chi square is greater than the calculated value of chi-square.

Data Presentation and Analysis

Table 1: DISTRIBUTION AND DATA RATE OF RETURN

Questionnaire	Frequency	Percentage
Number Returned	258	80%
Number not Returned	65	20%
Total	**323**	**100%**

Source: Field Survey, 2023

Interpretation: The table above indicates that out of the 323 copies of the questionnaire distributed by the researcher to the respondents, 258 copies of questionnaire representing 80% were duly filled and returned while 65 copies of questionnaire representing 20% were not returned due to damages, mutilation, improper fillings etc.

Table 2. NIGERIA'S CURRENT DEBT MANAGEMENT STRATEGIES ARE EFFECTIVE IN ADDRESSING THE COUNTRY'S DEBT AND DEVELOPMENTAL CHALLENGES.

Responses	Frequency	Percentage
Strongly agreed	7	2.8%
Agreed	14	5.6%
Disagreed	130	50.7%
Strongly disagreed	105	**41**%
Total	**258**	**100%**

Interpretation: A significant portion of the respondents, comprising approximately 88.6%, either disagreed or strongly disagreed that Nigeria's current debt management strategies are effective in **tackling the country's debt challenges. Specifically, 41% of the respondents disagree, while an** even larger percentage, 50.7%, strongly disagreed with the effectiveness of these strategies. On the contrary, a very small minority, only 2.8%, strongly agreed, and 5.6% agreed that the current strategies are effective in addressing Nigeria's debt challenges. This indicates a prevailing sentiment among the respondents that the existing debt management strategies in Nigeria are not viewed favorably in terms of their effectiveness in addressing the country's debt issues.

Table 3. THE MAIN CHALLENGE NIGERIA FACES IN MANAGING ITS DEBT BURDEN IS THE LACK OF POLITICAL WILL TO IMPLEMENT NECESSARY REFORMS.

Responses	Frequency	Percentage
Strongly agreed	184	71.6%
Agreed	53	2.9%
Disagreed	18	7%

Strongly disagreed	1	**0**.7%
Total	**258**	**100%**

Interpretation: A significant majority of respondents, constituting approximately 74.5%, either strongly agreed or agreed that the primary obstacle Nigeria encounters in managing its debt burden is the lack of political will to implement essential reforms. Specifically, a substantial 71.6% of respondents strongly agreed with this statement, indicating a prevalent belief in the influence of political will on managing Nigeria's debt burden. Additionally, 2.9% of respondents simply agreed with this notion. Conversely, a very small fraction, merely 7.7%, either disagreed or strongly disagreed that the lack of political will is the primary challenge in managing Nigeria's debt burden. Only 7% disagreed, and a mere 0.7% strongly disagreed with the idea that political will plays a pivotal role in addressing the country's debt issues. This suggests that a vast majority of respondents perceive the absence of political will as a significant barrier to effectively managing Nigeria's debt burden.

Table 4. NIGERIA'S DEBT BURDEN HAS SIGNIFICANTLY HINDERED ITS ABILITY TO PROVIDE BASIC SOCIAL SERVICES AND INFRASTRUCTURE.

Responses	**Frequency**	**Percentage**
Strongly agree	235	91.7%
Agree	19	7.7%
Disagree	1	0.7%
Strongly disagree	0	**0**%
Total	**258**	**100%**

Interpretation: A majority, constituting 99.4%, either strongly agree or agree that Nigeria's debt burden has significantly impeded the country's capacity to deliver basic social services and infrastructure. Specifically, a substantial 91.7% of respondents strongly agree that the debt burden has hindered Nigeria's ability in this regard, with an additional 7.7% in agreement. Conversely, an exceedingly negligible portion, merely 0.6%, either disagree or strongly disagree with this perspective. This overwhelming agreement underscores the prevailing sentiment among respondents that Nigeria's ability to provide essential social services and infrastructure has been notably hampered due to its considerable debt burden.

Table 5. EXTERNAL INTERFERENCE IN NIGERIA'S DOMESTIC AFFAIRS HAS INCREASED THE COUNTRY'S VULNERABILITY TO EXTERNAL BORROWING AND DEBT ACCUMULATION**.**

Responses	**Frequency**	**Percentage**
Strongly agree	72	50%
Agree	35	24.4%
Disagree	28	19.5%
Strongly disagree	9	**6**.3%
Total	**144**	**100%**

Interpretation: A substantial majority, comprising 74.4% of respondents, either strongly agree or agree that external interference in Nigeria's domestic affairs has increased the country's susceptibility to external borrowing and debt accumulation. Specifically, 50%

of respondents strongly agree with this notion, while an additional 24.4% agree. On the contrary, a comparatively smaller fraction, approximately 25.6% of respondents, either disagree or strongly disagree with this perspective. Among these respondents, 19.5% disagree, and 6.3% strongly disagree with the idea that external interference has contributed to Nigeria's vulnerability to external borrowing and subsequent debt accumulation. This strong consensus emphasizes the prevailing belief among respondents that external interference in Nigeria's domestic affairs has heightened the country's exposure to external borrowing and the accumulation of debt.

Table 6. THE INTERNATIONAL COMMUNITY'S (LIKE THE INTERNATIONAL MONETARY FUND (IMF), WORLD TRADE ORGANIZATION (WTO) INTEREST IN NIGERIA'S DOMESTIC AFFAIRS HAS OFTEN TIMES BEEN MOTIVATED BY A DESIRE TO INFLUENCE THE COUNTRY'S ECONOMIC POLICIES AND DEBT MANAGEMENT STRATEGIES.

Responses	Frequency	Percentage
Strongly agree	98	68%
Agree	23	16%
Disagree	13	9%
Strongly disagree	12	**8.3**%
Total	**144**	**100%**

Interpretation: A significant majority, totaling 84% of respondents, either strongly agree or agree that the interest shown by international bodies in Nigeria's domestic affairs has, at times, been driven by a desire to influence the country's economic policies and debt management strategies. Specifically, 68% of respondents strongly agree that these motivations exist, while an additional 16% agree with this assertion.

Conversely, a smaller fraction, approximately 16% of respondents, either disagree or strongly disagree with this perspective. Among these respondents, 9% disagree, and 8.3% strongly disagree with the idea that the international community's interest is motivated by a desire to influence Nigeria's economic policies and debt management strategies. This strong consensus among the majority of respondents emphasizes the prevailing belief that international bodies have shown interest in Nigeria's affairs with intentions that include influencing the country's economic policies and debt management strategies.

Table 7. FOREIGN GOVERNMENTS LIKE THE UNITED STATES AND INSTITUTIONS LIKE THE WORLD BANK HAVE USED DEBT RELIEF AND AID PACKAGES AS LEVERAGE TO INFLUENCE NIGERIA'S DOMESTIC POLICIES AND PROFILE HER IMAGE AT THE INTERNATIONAL ARENA.

Responses	Frequency	Percentage
Strongly agree	104	72.2%
Agree	17	11.9%
Disagree	13	9%
Strongly disagree	10	**7**%
Total	**144**	**100%**

Interpretation: The data from Table 11 highlights a widespread belief among respondents, with approximately 84.1% in agreement, that foreign governments such as the United States and institutions like The World Bank have utilized debt relief and aid packages to influence Nigeria's domestic policies and decision-making processes. Specifically, 72.2% strongly agree with this assertion, while an additional 11.9% agree with the idea of these entities using such leverage. Conversely, about 15.9% of respondents disagree with this perspective, with 9% expressing simple disagreement and 7% strongly disagreeing with the notion that these entities leverage debt relief and aid to influence Nigeria's domestic policies. This data strongly indicates the prevailing belief that such actions have indeed been employed to exert influence on Nigeria's domestic decision-making.

Table 8. EXTERNAL ACTORS SUCH AS THE UNITED STATES AND OTHER ECONOMIC SUPERPOWERS IN EUROPE AND ASIA HAVE SOMETIMES USED NIGERIA'S DEBT VULNERABILITIES TO GAIN ECONOMIC ADVANTAGES OR PROMOTE THEIR GEOPOLITICAL INTERESTS.

Responses	Frequency	Percentage
Strongly agree	44	30.6%
Agree	67	46.6%
Disagree	23	16%
Strongly disagree	10	7%
Total	**144**	**100%**

Interpretation: The data from Table 13 strongly suggests a prevailing belief among respondents, amounting to around 77.2%, that external actors, including the United States and powerful economic entities in Europe and Asia, have occasionally leveraged Nigeria's debt vulnerabilities to gain economic advantages or advance their geopolitical interests. Specifically, 30.6% of respondents strongly agree with this assertion, while an additional 46.6% agree with the idea of external actors using Nigeria's debt vulnerabilities for their benefit. Conversely, a smaller fraction, roughly 22.8% of respondents, either disagree or strongly disagree with this viewpoint. Among these respondents, 16% express disagreement, while 7% strongly disagree with the notion that external actors have used Nigeria's debt vulnerabilities to their advantage or for geopolitical motives. This collective sentiment underscores the prevailing belief among respondents that external actors have at times utilized Nigeria's debt vulnerabilities for economic gains or to serve their geopolitical interests.

Table 9. NIGERIA NEEDS TO STRENGTHEN ITS ECONOMIC AND POLITICAL INDEPENDENCE TO REDUCE EXTERNAL INTERFERENCE AND PROTECT ITS SOVEREIGNTY IN DEBT MANAGEMENT DECISIONS.

Responses	Frequency	Percentage
Strongly agree	133	92.3%
Agree	7	4.9%
Disagree	2	1.3%
Strongly disagree	2	1.3%
Total	**144**	**100%**

Interpretation: The findings in Table 14 strongly indicate a widespread agreement among respondents regarding the necessity for Nigeria to bolster its economic and political independence. This strengthening is viewed as crucial to diminish external interference and safeguard the country's sovereignty in making decisions about managing its debt. Specifically, a significant 92.3% of respondents strongly agree with this notion, emphasizing the critical importance of Nigeria asserting more independence in economic and political matters. Additionally, around 4.9% express agreement with the idea. In contrast, an extremely small fraction, merely 2.6% of respondents, hold differing views, with only 1.3% indicating disagreement and another 1.3% strongly disagreeing with the proposition that Nigeria needs to fortify its independence to mitigate external interference and protect its sovereignty in debt management decisions. This collective sentiment underscores the prevalent belief among respondents that Nigeria's enhanced economic and political independence is pivotal in mitigating external influence and safeguarding its decision-making sovereignty in debt management.

Results and Discussions

The problematic that informed this study is whether external interest is implicated in the debt burden of Nigeria and the profiling of third world states in the international space. We also attempted to gauge the implications of Nigeria's debt burden on her effort at economic development. Basic questions that revolved around the study problematic were raised in the study. They included: is Nigeria's current Debt Management strategies effective in addressing the country's debt and developmental challenges; has Nigeria's debt burden significantly hindered its ability to provide basic social services and infrastructure; has external interference in Nigeria's domestic affairs increased the country's vulnerability to external borrowing and debt accumulation; has the international community's interest in Nigeria's domestic affairs been motivated by a desire to influence the country's economic policies and debt management strategies; has Foreign governments used debt relief and aid packages as leverage to influence Nigeria's domestic policies and profile her image at the international arena; has external actors such as the United States and other economic superpowers in Europe and Asia used Nigeria's debt vulnerabilities to gain economic advantages or promote their geopolitical interests and does Nigeria need to strengthen her economic and political independence to reduce external interference and protect its sovereignty in debt management decisions? These questions were consciously raised to enable us solve the key posers in the study problematic.

Hence, empirical evidences from these questions served as the basis for the affirmative hypothetical stance of the study. Thus, we posit inter alia, that: Nigeria's public debt stock has risen dramatically much more in recent times; from 12.604billion naira in 2015 to 27.401billion naira in 2019 and over 20.1 trillion naira in 2024 (National Bureau of Statistics, 2021, Statista, 2024). Findings from the field and extant literatures accepted the hypothesis that Nigeria's current Debt Management strategies are not sufficiently effective in addressing the country's debt and developmental challenges and this has significantly hindered its ability to provide basic social services and infrastructure. From available evidence, the study noted that over 136% of government revenue since 2015 is channeled into debt servicing. This has led the government to reduce spending on public goods. Today, over 133 million Nigerians now live in multidimensional poverty ((National Bureau of Statistics, 2021). All this point to the fact that Nigeria’s debt burden weakened her economic developmental efforts.

The debt-to-GDP ratio rose from 21% in 2000 to over 13% in 2015, exceeding the World Bank's recommended threshold of 40% for developing economies. Thus, Akpan (2005) attributed Nigeria's rising debt burden primarily to the gimmicks of external actors and their capitalist interest in the economy of third world states which includes but not limited to debt rescheduling, loan conditionalities, policy somersault etc. Faseeghan and Dada (2014) found that; the heavy reliance on foreign borrowing leaves Nigeria vulnerable to exchange rate fluctuations and policy changes in creditor countries. Adedeji and Teluwo

(2018) argued that, this growing external debt dependence threatens fiscal sovereignty and impedes countercyclical fiscal policy. Adaramola, 2012, Adedeji and Teluwo, 2018) extended the argument further. According to them, interest repayment will continue to escalate leading to reserve depletion since continuous borrowing without productive investments cripples the economic competitiveness of Nigeria and subject her economy to external control by subtle means. Projections indicate that, debt will spiral out of control in the coming decades without corrective policy action. Given Nigeria's economic importance regionally, growing debt and economic instability carries broader consequences and weakens her bargaining strength in international negotiations and this is the end objective of external actors.

Table 10: NIGERIA'S TOTAL PUBLIC DEBT PORTFOLIO AS AT MARCH 31, 2024

	Debt Category	**Amount Outstanding (US$'M)**	**Amount Outstanding (N'M)**	**% of Total**
A	Total external debt	42,115.54	56,024,618.24	46.05%
B	Total Domestic Debt	49,348.45	65,646,263.25	53.95%
	FGN only	46,290.28	61,578,106.70	50.61%
	States & FCT	3,058.17	4,068,156.55	3.34%
C	**Total Public Debt(A+B)**	91,463.99	121,670,881.49	100%

Source: Debt Management Office, March, 2024.

While debt itself is not necessarily evil, Nigeria's experience as depicted in the table above, shows a case of excessive and inefficient borrowing orchestrated by external influences. As at March, 2024, its total public debt profile was already worrisome and debt relief sought simply shifted the day of doom. It only delays, not prevent, future crises as debt often rebounded within 5-10 years (Gray et al., 2007). Because of the ills associated with debt burden and the image profiling of debtor states at the international arena, scholars have proposed a number of counter measures to curtail its effect on third world states. Panizza *et al*. (2009) for instance, advocated sovereign bankruptcy frameworks with more equitable bargaining. Kaiser (2005) suggested penalties on creditors who refuse relief proposals and debt arbitration if consensus cannot be reached. Desta (2004) recommended revising Paris Club statutes to establish fairer governance structures, clear standards for relief terms, and debtor participation, Gray *et al*. (2007) proposed an expanded debt relief that aligns with United Nations Sustainable Development Goals; Kaiser (2005) argued for a relief that equals at least 60% of debt stocks and target long-term development rather than fiscal targets among others while Adegbie, Folajimi, Fakile, Afolabi, Odusola and Ayodeji (2017), recommended the use of indigenous strategies to evolve economic independence and freedom from external borrowing. All of these suggested measures seem to have fallen to deaf ears because of the inherent exploitative tendencies of capitalist states and their goal to keep third world states perpetually dominated by whatever means possible.

Conclusion and Recommendations

This study examined Nigeria's debt burden and the challenges of economic development. Its strength laid on the theoretical debate on external interest in the profiling of third world states. The study averred that external interests have conditioned third world image and economic policies over the years and this has significantly contributed to Nigeria's growing debt burden that has direct severe developmental consequences. From the study, we state that these debt results mainly from limited debt rescheduling, loan conditionalities, policy somersault, the heavy reliance on foreign borrowing, vulnerability to exchange rate fluctuations and policy changes in creditor countries. External debt threatens fiscal sovereignty and presents a state as needing the help of external parties. The above and the present debt profile of Nigeria does not suggest a total bleak in her international economic relations rather, it suggests that a fundamental problem exists in the Nigerian state requiring more robust intellectual and theoretical investment and adoption of more pragmatic economic policies and debt management strategies and policy guide. With decisive reforms, Nigeria still has opportunities to transit toward more stable debt dynamics supportive of inclusive economic development. To understand this, is to specifically examine the role of international financial institutions in shaping Nigeria's debt burden; an issue under investigation in the coming days.

One of the key causes of Nigeria's indebtedness is her monolithic economic frame. Hence, diversifying revenue sources emerge as a critical solution to mitigating Nigeria's debt issue. Reducing reliance on volatile sectors like oil can help stabilize the country's fiscal position and enhance its debt-servicing capabilities. By expanding the tax base and improving tax collection mechanisms, Nigeria can generate more consistent revenue streams, reducing the need for heavy borrowing. The justification for this expanded tax will certainly lie in government readiness to provide essential services to the citizens who are ultimately the source of this revenue. The Anambra state model under Professor Charles Soludo provides a glimpse. Furthermore, investment in other sectors of the economy can stimulate economic growth, create jobs, and ultimately enhance the country's image and capacity to meet its debt obligations. The emphasis on proper economic policies that bring down governmental commitment to frivolities cannot be overstated as prudent spending and revenue enhancement measures have remained time-tested and proven mechanisms for staying within one's income span even as a nations state or a continent

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