

WORKING PAPERS

WORKING PAPER 15

THE IMPACT OF THE DEBT CRISIS
ON NIGERIAN WOMEN

Marie Pauline Eboh

IGU
UGI



THE IMPACT OF THE DEBT CRISIS ON NIGERIAN WOMEN

**Marie Pauline Eboh
Institute of Foundation Studies
Rivers State University
of Science & Technology
P.M.B. 5080, Port Harcourt
Nigeria**

Introduction

The debt crisis is like a vampire that sucks the blood of the citizens of Third World countries. What is very disheartening about it is that no matter how hard these Third World nations try to offset their debts, they find that foreign debt is like a dragnet that has been so intricately woven that there is hardly any way of escape for those who have been unfortunate enough to enter into it. Little wonder why Immanuel Kant advocated the prohibition of foreign debts, warning that otherwise bankruptcy would inevitably follow in the long run as the rich state would take advantage of it to the detriment of debtor states, and this would constitute a big threat.¹

The Structural Adjustment Programme (SAP) which students styled have "Stomach Adjustment Programme" or "Operation tighten your belt", is a direct effect of the debt crisis on the Nigerian populace. SAP is supposed to be an economic reform programme. It was introduced in 1986 when economic activities were grinding to a halt as foreign financial institutions were unwilling to extend new credit lines to Nigeria because of her heavy debt burden, despite the fact that the Buhari Administration was spending 44% of the nation's foreign exchange budget on debt servicing. SAP as an alternative to further borrowings was meant to be a 15-month emergency measure calculated to relieve the debt burden through a comprehensive rescheduling of the nation's medium and long-term debts and to encourage a net inflow of foreign capital, while keeping a lid on foreign loans.² This severe economic measure has stretched from 15 months to years and has meant untold hardship for Nigerians. The harsh economic climate has led to continued rationalization of employment. More and more people are retrenched as companies find it difficult to survive and the National Directorate of Employment (NDE) has not been able to tackle the problem of

unemployment.

It would be overstating the obvious to say that women are the worst hit by the adverse effect of SAP because they are already in a disadvantaged position professionally and economically. In all our towns and villages shrouded in the gloom of SAP, women have suffered severe hardships as the prices of goods have spiralled. Feeding has become a herculian task, so much so that many people find it difficult to eat even once a day, pregnant women die of anemia, and kwashiorkor, which we thought to be a war-time sickness, has come back to our homes in a time of peace. In human intercourse, tragedy begins not when there is misunderstanding about words, but when silence is misunderstood. People were surprised at the spontaneity with which market women joined students in the anti-SAP riots of May/June 1989. How would they not join, when SAP has sapped their families of their three square meals a day, sapped their husbands of their jobs, sapped their children of school books and equipped laboratories, and sapped nearly everybody of not only health but also health services. Silence does not always mean consent; to presume that women's silence meant that they were comfortable with SAP is equivalent to seeking the solution to our problem on the quicksand of error. The objective of this article is to highlight the effects of SAP on Nigerian women.

The Effect of SAP on Nigerian Women:

The Nigerian debt crisis was partially caused by sectoral imbalances in the Nigerian economy. As B. Okogu put it, "The current economic crisis arose partly because of wrong policies of the past which effectively neglected such vital sectors as agriculture and self-sustaining local industries."³ Nigeria is to blame for this, but the West is responsible for the scourges of SAP. As a Nigerian lamented, "In fact we opted to make sacrifices. But

we did not bargain for this infliction of the IMF, the World Bank, America, France, Britain. We did not..."⁴

An article in African Farmer summarizes the features of Structural Adjustment Programmes:

Introduced by the World Bank in 1980, SAPs aim to make national economies more efficient, more flexible and better able to use resources. Policy reforms include decreasing government controls on prices; reducing budget deficits; privatizations; devaluating the local currency; and withdrawing controls on external trade. Some 30 African countries are undertaking these programmes and thus qualify for SAP loans from the World Bank and the International Monetary Fund (IMF), neither of which will lend money to countries that do not follow some kind of SAP.⁵

It could be inferred from the above that SAP is also out to make nations credit worthy and plunge them into more foreign debt. Trade liberalization is another snag.

An IMF-type of SAP for instance would want us to throw our gates open to goods from the creditor countries to flow in unchecked. We would have to remove subsidies from essential commodities, devalue our currency and maintain, in effect, a consumption posture that would enrich the creditor countries.⁶

The American social critic, Steve Weisman rightly said that "We see no realistic way in which the rich nations can transfer resources to the poor without pursuing their own profits and expanding their power".⁷ SAP could therefore be viewed as a humbug, a neo-colonial stratagem designed to subtly make Third World countries retain vassal status.

Otherwise, how does one explain the fact that the IMF conditionalities are to a great extent geared towards profiteering? To receive loans a supposedly poor nation is asked to devalue its currency, make it nearly worthless, sell its visible exports at giveaway prices, and feel good because whatever pittance it receives as foreign exchange will be blown out of proportion to defraud its nationals. For instance, Nigerian farmers are meant to count their blessings because they "are getting adequate compensation for their labour",⁸ whereas they are actually cheated because output and input are not equitably balanced. It is ironic that "just as countries are devaluing in order to increase the price paid to farmers for their export crops, those same farmers often can no longer afford the imported inputs needed to increase production".⁹ As Yunisa Mohammed, a female farmer bitterly complained, how many of us farmers can afford one type of a tractor when it costs about US \$475? If one type costs that much, then just imagine the price of tractor!¹⁰

The purpose of devaluation of the naira is to make the country's products more attractive for export, and to raise the price of imports, thereby shrinking domestic demand for them. But how easy is it for a farmer to increase the efficient production of export crops in economies with poor infrastructure, where pricing policies encourage output while impeding the purchase of vital imported inputs?¹¹

The use of sophisticated implements for farming, food processing and preparation is very low among women yet, such machines meant to reduce the drudgery of work, increase cultivation and quicken processing are usually highly priced and out of the reach of the average rural women.¹²

Yet there is much talk about how to enhance women's productivity in agriculture and improve the lot of the rural female farmer.

One of the recommendations of IMF and World Bank is the removal of subsidies on public services e.g. education and health, which means that public services are run on cost-recovery basis and people have to pay more for public services. With the removal of subsidies, how do we expect a peasant woman farmer to be happy because she realizes plenty of naira from the sale of her farm produce when the money can hardly foot her hospital bill, let alone transportation and the educational requirements of her children/wards? As an Igbo proverb tartly put it, "A bird that flew off the ground but perches on an ant hill is still on the ground".

The unsalutary effects of SAP have been recognized by ECA (UN Economic Commission for Africa) which depicts conventional SAP as "rending the fabric of African society" by causing a rise in unemployment, malnutrition and poverty levels, while at the same time forcing down educational and training standards. "Reforms aimed merely at improvements of financial balances and price structures are unlikely to succeed in bringing about economic transformation and sustained development" says AAF-SAP (African Alternative Framework to Structural Adjustment Programme for Socio-Economic Recovery and Transformation)¹³. Barbar Conable, the president of World Bank, is aware of this. In the foreword to his agency's report, he confessed: "We have all learned from our experiences and mistakes" (at the expense of Third World countries). He acknowledged that "special measures are needed to alleviate poverty and protect the vulnerable". The bank's report calls for "empowering ordinary people", especially through programmes for women and through enlarging the role of non-governmental organizations such as farmers' associations. Nigeria has implemented these recommendations by establishing "Better Life Programme For Rural Women", and "Peoples' Bank" which gives soft loans to co-operatives

without insisting on collaterals.

"If we are talking about small-scale farmers, we are talking about women".
"Improving the agricultural sector necessarily entails improving the conditions under which African women farm".¹⁴

"In Africa, 75 per cent of agricultural work is done by women. What this means in simple terms is that the burden of feeding in Africa, has been largely borne by our mothers, wives and sisters. ...it is the women who really constitute the backbone of our society."¹⁵

Nigerian women produce about 4/5 of the food consumed in this country. Therefore there was every need to empower them in their capacity as food producers. But until recently, their potentials were ignored and agricultural loans were not extended to them because they lacked the requisite collaterals. In addition, socio-cultural bias gets in the way. Only a few days ago it was reported that a man snatched away the loan given to his wife to expand her business. His contention was that much money is not good for women. Yet women farmers are the central focus for growth in many respects. They are central in the protection of their family's health, central in encouraging the learning process, central in building confidence and self esteem for the next generation, and above all, central in improving human resources physically and morally.¹⁶

The World Employment Conference held in 1976 noted that "in many developing countries, women are particularly disadvantaged in respect of employment, education, training and status".¹⁷ In Nigeria as in many other countries,

Women have successfully been excluded from the centres of power in government, finance, the professions, journalism, organized labour.

In the employment arena, most employers are reluctant to hire women whom they regard as unstable and who are likely to get pregnant from time to time when hired. Their salaries have been traditionally lower than men's. Also many low-paying jobs are reserved for women.¹⁸

It was against this background that we asserted earlier on that women are the worst hit by SAP. That is, if SAP could greatly discomfit men who are at the centre of power, finance, professions etc., SAP's effects on women, a disempowered group, must be doubly devastating. As an Igbo proverb would put it, "The famine which killed the wealthy, must have buried the poor alive".

Perhaps, someone may argue that urban women are shielded from the direct impact of SAP because they are but necessary adjuncts to their husbands. They merely supplement income, they are not bread winners. But in most families, SAP has brought about a reversal of roles. Where a husband is retrenched, which income does a wife supplement? Besides, not all urban women have husbands - some are unmarried, others are widowed. One also wonders what kind of shield a man whose monthly salary is N300 (less than US \$30) will offer his wife and children, given the present high cost of living. Rather than being protected from the adverse effects of SAP, the women bear the brunt of it as they are the ones who face the bitter experience of the market forces, and they are always there to contain the cries of hunger-stricken children. Some married women have even been sent packing because their husbands can no longer shoulder their responsibilities. Divorce is now increasing in Nigeria. SAP frustrates men and men take it out on women. Some men also migrate to countries like Saudi Arabia in search of money while their wives and children are left behind. It will be very revealing to research on how these women affected

by brain drain cope with the situation.

The debt crisis, if it goes unchecked, is capable of crippling women to a point beyond recovery. For instance, with government's cut back on health, our hospitals have become mere consulting clinics, given the O/S (out of stock) syndrome. As physicians cannot effect healing without drugs and equipment, the salvation of a patient now depends on his/her pocket. Those women who lack funds try to avoid the hospital at all cost, to their own undoing. In a recent conference on safe motherhood, Wilfred Obiora Chukudebelu, a professor of obstetrics and national president of the Society of Gynecology and Obstetrics of Nigeria (SOGON) stated:

an estimated 75,000 women die each year in childbirth. In other words, one woman dies every 10 minutes in childbirth or from childbirth related causes and for every one that dies 20 more are deformed, disabled or diseased. Most of these deaths and disabilities can be prevented.¹⁹

Most women can ill-afford modern antenatal, intrapartum and postnatal care. In addition, they overwork themselves, and trek long distances to work for want of transport facilities; coupled with these is the factor of inadequate feeding. It is therefore not surprising that they die in large numbers.

In Nigeria, a panel of physicians declared that one out of every four children under the age of three is suffering from stunted growth due to the escalating cost of food.

UNICEF reports that half of all Nigerian children of pre-school age are now malnourished and will never reach their full potential, if they survive at all.

Whatever the exact figures, Nigeria's Ministry of Health has warned that if

current high levels of malnutrition persist, not only does the present generation remain at risk, but the next generation of Nigerians will be intellectually deficient-decreasing Nigeria's chances for any long-term development.²⁰

With SAP induced inflation/poverty, baby milk/food is so expensive that most babies now depend solely on breast feeding, and given that mothers are undernourished, what do we expect? A mother of triplets now goes through the market cap in hand, in order that her babies may have something to feed on. It is sad. It appears that in our society, twins, triplets etc., have been ill-fated from primeval times. In ancient times, our forebears threw them away because they thought it was an abomination to have them; in modern times, they simply die because parents cannot afford to feed them, all to the traumatic dismay of mothers!

Prior to SAP, women were greatly encouraged to read and they were spurred on with bursaries which assisted them to pay for education. With SAP induced high cost of education and unemployment the incentive to read is greatly diminished. Moreover, rationalization of the family budget has re-enthroned male predilectionism i.e., in a situation where a family is not in a position to train all its children, boys are given preference while the girls are asked to see reason. SAP is therefore, in a way retarding women's emancipation even though "Better Life Programme For Rural Women" is making a show of enhancing the lot of women. In the past, educated women held their heads high, but now just to make ends meet, they are succumbing to polygyny and prostitution. A situation where even a Ph.D holder accepts to be the third wife of a semiliterate money baron, in a bid to be somehow comfortable, is nothing to write home about. It appears that for every

one step forward, women are forced by circumstances to take two backwards.

The problems created by SAP are hydra headed. SFEM (Second Tier Foreign Exchange Market) is part of the SAP package. One of the cardinal principles of the pre-SFEM strategy was import-substitution, which required that goods prominent on Nigeria's import list should be locally produced.

Import-substitution provided the framework for import -restrictionism, based largely on the "infant-industry" economic principle which seeks to shield local manufacturers from foreign competition for an initial "learning" period, in order to enable them to find their bearing and to safe-guard them from being overwhelmed in their formative stages by more established foreign imports.²¹

This means that Nigerian consumer is saddled with "Taiwan goods" i.e., inferior but expensive appliances whose life span may be one month. Where a woman has labour saving devices but none works, of course she resorts to pestle and mortar or the grinding stone. Similarly, the removal of subsidies on petroleum related products has made the price of cooking gas sky rocket. Thus many a housewife is forced to go back to the use of either kerosine stove or fire wood. These not only make the house dirty but also make housework more hectic, though not many families can afford to employ house helps these days.

Adjustments in the foreign exchange rate have resulted in a generalized increase in prices because of the high import content of our installed manufacturing production capacity. This has resulted in higher costs of living and reduced living standards especially for the low income groups. High costs of imported inputs have adversely affected many small-scale enterprises.

At the same time, tight monetary policy, necessary to preserve the gains of

Structural Adjustment Programme, has raised the cost of credit. this has seriously affected enterprises with high debt equity ratios, some of which manage to remain in operation mainly to service debts. Rationalization of enterprises had resulted in retrenchment and created social problems.²²

Again, the inability of certain firms to find alternative raw material locally as required by the government, made them either fold up completely or lay off many of their workers. Thus most women who used to go to these factories for petty jobs were severely affected. Some desperate ones who could not eke out a living in any other way, have sought illegal ways to gain income. Thus SAP has caused many women to lose their sheen, for as the saying goes, needs must when the devil drives. As we said elsewhere, "SAP has not only sapped Nigerians economically but also morally".²³

Justice requires that we pay our debts, but charity demands that creditors should not throttle their debtors. We therefore call on IMF, World Bank and all who have anything to do with foreign debts to give their policies a human face.

REFERENCES

1. Kant I., "Perpetual Peace", in Kant's Political Writings, edited by Hans Reiss, trans., By H.B. Nisbet, Cambridge University Press, Cambridge, 1979, Sect.1, Art.4.
2. Newswatch, Vol.8, No.9, August 29, 1988, p.18.
3. African Concord, No.112, October 6, 1986, p.20.
4. Momoh T., "SAP: the road not taken," June 15, 1988, p.3.
5. African Farmer: The Key to Africa's Future, No.3, April 1990, p.5.
6. Momoh T., "Letters to my Country Man on SAP," August 1989, p.14.
7. The Leader, Vol,XXXIII, No.2, February 10, 1991, p.1.
8. African Farmer, op.cit., p.5.
9. Ibid., p.9.
10. Ibid.
11. Ibid., p.11.
12. National Concord, Tuesday, November 21, 1989, p.7.
13. African Farmer, op.cit., p.3.
14. Ibid., pp.23 & 24.
15. National Concord, op.cit., p.5.
16. African Farmer, op.cit., p.3.
17. National Concord, Wednesday, November 22, 1989, p.7.
18. Oputa C., "Women and Children as Disempowered Groups", in Women and Children under Nigerian Law, Federal Ministry of Justice Law Review Series, Vol.6, Intec. Printers Ltd., Ibadan, 1989, p.6.
19. Newswatch, Vol.II, No.19, May 7, 1990, p.55.
20. African Farmer, op.cit., p.14.
21. African Concord, No.142, May 19, 1987, p.4.
22. Momoh T., 30 "Questions and Answers on SAP... and the gains of SAP," A Federal Ministry of Information and Cultural Publication, August 1989, p.72.

23. Eboh M.P., "The Anti-SAP Upheaval In Nigeria," in Philosophy and Social Action, Vol.16, No.3, 1990, p.32.

WORKING PAPER SERIES

1. "Development and Factory Women: Negative Perceptions from a Malaysian Source Area" **Amriah Buang**
2. "Household Energy Supply and Rural women's Work in Ghana" **Elizabeth Ardayfio-Schandorf**
3. "Access of Female Plantation Workers In Sri Lanka to Basic Needs Provisions" **L.K. Vidyamali Samarasinge**
4. "The Impact of Labour-Saving Devices on the Lives of Rural African Women: Grain Mills in The Gambia" **Hazel Barrett and Angela Browne**
5. "Women and Agriculture: A Case Study from the South Pacific, Western Samoa" **Peggy Fairbairn-Dunlop**
6. "Divisions of Labour in Rural India" **Parvati Raghuram and Elizabeth Oughton**
7. "Housewifization and colonization in the Colombian Rain Forest" **Janet Townsend**
8. "Viewing Rural Development Programmes in India from a Gender Perspective" **Rameswari Varma**
9. "Deconstructing the Household: Women's Roles Under Commodity Relations in Highland Bolivia" **Colin Sage**
10. "The Intersection Between Class and Gender Relations: Theory, Method and a Case Study from Papua New Guinea" **Stephanie Fahey**
11. "Regional Variations in Gender Roles and Relations in Farm Households in Spain" **M. Dolores Garcia-Ramon, Josephina Cruz Isabel Salamana, Nuria Valdovinos and Montserrat Vilarino**
12. "The relationship Between Community Size, Female Employment Rates and the Educational Level of the Female Labour Force" **Peter Meusberger and Jurgen Schmude**
13. "Child Care as a Space-Time Constraint in the Daily Life of the Economically Active Mother in Greater Pretoria" **Joan Fairhurst**
14. "Un Plan Directeur du Point de Vue des Femmes" **Sonia Alves Calio**
15. "The Impact of the Debt Crises on Nigerian Women" **Marie Pauline Eboh**

16 "Women's Work and the Urban Household Economy in Developing Countries" **Briavel Holcomb and Tamar Rothenburg**

17 "Women in the Italian Workplace: Evolution of a Role"
Giselle Cortesi and Marina Marengo

I should like to order the following paper(s) at £3.50 or
US\$5.00 each (p. & p. incl.):
(please state number and author) _____

Name: _____

Address: _____

Please send order to Janet Momsen, Chair, IGU Study Group on
Gender and Geography, The University, Newcastle Upon Tyne, NE1
7RU, United kingdom. Cheques should be made payable to Janet
Momsen(IGU).