Chapter 5
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CHAIRMAN'S DINNER

GUARANTY TRUST

GUARANTY TRUST BANK LIMITED

Dinner Speech

Given by

Mr Richard L. Kramer

'93

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Dick has served as Managing Partner of Arthur Andersen & Co. since its 1978 entry into Nigeria. As a Chartered Accountant (ACA) and Certified Public Accountant (CPA), his specialties have been consulting with new investors and strategic planning with emphasis on the financial and petroleum sectors. He has held active leadership roles in Harvard Business School Association of Nigeria, Enabling Environment Forum, Nigerian American Chamber of Commerce, the Ikoyi Club, the Lagos Business School and the Nigerian Economic Summit Organizing Committee. Born in 1934 in Hugoton, Kansas (USA), Dick graduated from Kansas University in 1956 (BSc, Accountancy) and from Harvard University in 1958 (MBA). His career since then with Arthur Andersen & Co. has involved assignments outside the States almost continuously since 1965 in the Middle East, Latin America, Europe, India and Africa. He is married to Wanda, who teaches at the American International School in Lagos, and has two sons, Cliff and Kirk, both who are management consultants.

THE NIGERIAN ECONOMIC CHALLENGE:

MYTHS AND REALITIES

Before giving this speech, let me share my grave concern with you.

Nigeria's economy is deteriorating rapidly. Hyper-inflation and capital flight are accelerating. Except for upstream petroleum, foreign investment is on hold, or even disinvesting. External debt talks will be lengthy with difficult conditions to swallow. Global recession threatens to be protracted. Political events have dominated our agenda while the economy is being ignored. We are weak on all fronts - and we are not facing the realities of our situation.

Worst of all, our situation is self-inflicted. It is not necessary. We have good choices available. We can build a strong economy. The essential reforms have been defined and are sound. But implementation of economic reforms continue to be sporadic and too half hearted to get results. Moreover, economic policy formulation continues to be based on myths with lack of open dialogue and debate. Radical surgery is needed but we see only aspirin and band aids. It is very clear that we have simply not accepted reality.

The choices are ours to make. The private sector must face the Nigerian economic challenge. The economy is too important to be run by politicians. We in the private sector must lead the way to building our economic future based on reality.

Distinguished ladies and gentlemen

Let me begin by thanking the Chairman and management of our client, Guaranty Trust Bank, for their gracious invitation to rub minds with you tonight.

Guaranty Trust has had an outstanding financial year in the face of shakeout tremors which are threatening the Nigerian banking industry. Their success has been based on service excellence and being close to their customers. 1992 results testify eloquently that many progressive customers have answered positively to their invitation - "Wouldn't you rather bank with us?"

Last year, Guaranty Trust launched an annual lecture series designed to provide current economic snapshots and stimulate reflection and action. Our good friend, Chief Chris Ogunbanjo, christened this worthy effort last year by focusing initial attention on - "Current Issues in the Nigerian Economy."

My task, and honour, is to move the dialogue to the level of self examination and realistic action. I have therefore chosen to speak on "The Nigerian Economic Challenge: Myths and Realities."

Fellow players in the Nigerian economy, let us face reality. Nigeria has come to a crossroad and the only good escape routes require very difficult choices. Choices on two fronts at the same time - the political front and the economic front. Both are linked together - like Siamese twins. Successful economies depend on democratic institutions and free markets while successful democracies require strong economic foundations.

Nigeria's economic foundation is anything but strong. Our economy has been neglected to say the least. Political transition is being attempted at a time when economic drift has led to rapid deterioration and possible collapse. The risks are high; all the more reason to face reality squarely in shaping future economic programmes.

Permit me one digression about the political transition. We must also be very realistic about democracy. To be sure, nobody said achieving democracy will be easy. It takes great patience and perseverance to make it work in practice. As Winston Cnurchill said: "Democracy is the worst form of government except all those other forms that have been tried from time to time". [1]

Having said that, the business community cannot afford to let democracy fail because only democratic institutions enable the free market system to work. For example, let us consider law and order, free information flow, open dialogue with government, protection of property rights, open debate on economic policy, etc. All of these attributes of democracy are essential to an attractive investment climate. Institution building in a democracy is a continuous process. It can take generations to achieve success. But it certainly is worth the effort. Democracy enables free enterprise to succeed just as a growing economy leads to and strengthens democracy. [2,3]

Now, turning to the economic front, my concerns will be addressed in three parts:

(1) we will look at <u>global forces at work</u> and how they impact Nigeria.

(2) we will analyze our need for realism in terms of selected <u>myths and realities.</u>

(3) Lastly, we will focus on our need for action and the resulting <u>leadership challenge.</u>

<u>GLOBAL FORCES AT WORK</u>

Global realities must first be understood and accepted before we can plan for either our companies - or the country. We live in an overwhelmingly interdependent world in which global events increasingly control the future choices of any nation-state.

Recently global change has been dramatic and beyond expectations. Rather than try to forecast, we must understand the underlying causes of change -- the global forces at work. We can then know their impact on Nigeria -- and be better prepared to position ourselves accordingly.

Let me briefly illustrate my point by selecting six major global forces which are inevitably impacting Nigeria:

(1) <u>End of the Cold War</u> - neither the U.S. nor the USSR were able to carry excessive defense burdens and also satisfy the economic expectations of their people. While the USSR collapsed first, the U.S. is still sorting out its future global role and how to make its economy fully competitive.

Globally, countries are now free to concentrate primarily on their domestic economies and this has made the world extremely competitive. As a result, the Third World has little alternative now but to play by new and evolving Western rules.

(2) Trading blocs - the world economy is forming itself into three major trading blocs among Europe, North America and the Pacific which are increasingly engaged in head to head competition. While this process is still in its early stages and the degree of eventual protectionism is not yet clear, it will clearly be advantageous to be inside rather than outside these blocs. Within these blocs, the major benefit will be the shift of resources -- particularly jobs -- for the benefit of the bloc itself vs. the rest of the world. In Nigeria's case, we are outside the European bloc and the massive opening up of Eastern Europe is not working in our favour.

(3) Shift to high value work - employment (or rather unemployment) will be the #1 economic issue in the decade ahead. [4] Knowledge work and high technology skills are increasingly the basis for future industrialization and economic growth. High value jobs will depend on progressive education systems and knowledge-based skills. Skills rather than raw materials, capital or land are the future source of competitive advantage. Jobs based on low value skills are increasingly transferred to lower income countries offshore or elsewhere within the trading blocs. While good overall for the world - particularly for the winners - we see negative impact on losers, including workers who need retraining, formation of low skilled underclasses and marginalization of whole countries where skills are not keeping pace.

(4) Global markets - the global village has evolved on multiple fronts. Global information and news have become realities. Goods and services are supplied from the cheapest global source and have become both standard and tailored to unique markets. Capital flows freely, impacting foreign exchange rates more than trade flows do. In the process, terms of trade continue to deteriorate for commodity producers. Global winners are those countries who add value and export competitively at international standards. Success stories in the emerging newly industrialized countries are studied rigorously to learn how to compete in global markets. We are now finding a convergence on certain proven practices such as open economies, free markets, low inflation, stable and convertible currencies and stimulation of exports.

(5) Aid and external debt - availability of Official Development Assistance (ODA) and external debt is in relative decline for several reasons. Firstly, the debt crisis for commercial banks is largely over and, once bitten, they are now twice shy. Secondly, bilateral and multilateral debt, including Paris Club arrangements, are increasingly managed on the basis of multiple year programmes with debt rescheduling and relief earned after performance rather than based on promises as in the past. Lastly, the relative availability of concessionary aid funds is declining, partly due to economic problems within the developed world and largely due to a shift in thinking as to how to make such funds do the most good. The bottom line is that aid and external debt are increasingly linked to good governance, market based economic systems, private sector investment, and support for "self help" programmes. Clearly, there is a much stronger insistence on third world countries playing by rules set down by their external creditors and supporters.

(6) Limits on the nation-state - recent history has also witnessed a relative decline in the sovereignty of the nation-state. We see more multilateral efforts to address environmental issues and terrorism, multi country and UN efforts at peacekeeping and famine relief, experiments with currency unions such as the ERM, and generally the movement towards regional trade and political units such as the expanded EEC and NAFTA. Internally, the nation-state is confronted with tensions between special interest groups based on ethnicity, religion, language, culture and class. While most evident today in Eastern Europe and the former Soviet Union, this renewal of tribalism is undermining the nation-state throughout the world.

As if this were not enough, free capital flow, free information flow, and emergence of "borderless" multinationals and their multicountry suppliers are also making the world one market for ideas, goods and services thus making nation-states increasingly interdependent.

These six examples illustrate the dramatic reshaping of the world that is taking place in our lifetime. These events are sufficiently dramatic for us to ask - What are the lessons, or consequences, for Nigeria?

For me, there are three major points relevant to tonight's theme:

- Nigeria is less and less important to the world as we are marginalized by events and developments that are passing us by.
- While our future development is more and more dependent on close links with the global economy, this is possible only if we are willing to play by global rules of the game.
- As a result, we can no longer try to be an island unto ourselves. The burden is on us to show we are serious about becoming a respected and credible player in the global community.

MYTHS AND REALITIES

Countries are frequently guided by traditions, or myths, that form a collective belief. Myths typically respond to the wishes of groups rather than representing analysis of the underlying realities. Myths are not based on scientific analysis or empirical study. Typically myths become beliefs; they become like legendary or traditional stories which are popularly accepted. Once established, myths therefore die hard. Generally, myths survive until scientific discovery or other evidence overwhelmingly disclose the new reality.

In the hands of enlightened leadership, myths may do no harm and even some good. But there is a risk that myths will be believed by the leaders and therefore result in management based on unreality. John F. Kennedy stated this well - "The great enemy of the truth is very often not the lie - deliberate, contrived and dishonest - but the myth - persistent, persuasive, and unrealistic." [5]

My reason for dealing with myths and realities tonight is pragmatic. My concern is with policy formulation based on myths. I am less concerned about economic policies known to be wrong and tried anyhow. They will fail and be abandoned. Rather my concern is about beliefs which are sincere but unrealistic, which are pursued relentlessly despite the lack of results, which are not debated openly and rigorously and which are persuasively sold to the Nigerian people despite proof to the contrary.

I have chosen only seven myths for analysis. There are many more but these will illustrate how pervasive our myths have become, how damaging they are, and how much they put us out of touch with reality.

Myth #1 - Nigeria must strongly resist economic policies forced on us by outside forces.

This myth took root during the oil boom along with the belief we had unlimited resources at our disposal. Our only task was to figure out how to spend our wealth. Unfortunately, the oil boom coincided with the end of the miracle quarter century of global growth in the early 1970's. All non-OPEC countries were forced to adjust their economies in accordance with new global realities. But Nigeria, insulated by high oil prices from reality, went on a spending spree.

We also undertook heavy external borrowing, which mortgaged our future oil revenues, and used the proceeds unproductively. We could not repay our debts when due and then we reacted against "conditionalities" laid down by our creditors. The IMF Debate was a good idea but the debate was largely at the level of emotion and myth. However, it established a very realistic conclusion -- that the Nigerian public does not want further borrowing because they fear the proceeds will be mis-spent. Subsequent petrol pricing debates have reached the same end result.

Debt rescheduling helped perpetuate this myth. We found that promises could delay the inevitable although we ultimately would neither honour our promises nor fully disclose what we had done. We have now run out of time and lost credibility with creditors. Our commercial debt problems are largely resolved, leaving commercial sources unwilling to lend. Multilateral debt relief measures are now clearly established. They are available to debtor countries willing to commit to medium term economic programmes. Relief is granted after performance. We now must play by tougher rules and we have not yet been willing to accept the new rules. As a result, debt arrears add daily to our $30+ bn. burden.

The reality is that no debtor or dependent nation can dictate its terms for trade, borrowing or investment. We compete for global resources, markets, technology and management skills. We must negotiate hard for them but then realistically accept globally competitive terms.

Exports require quality products and services which meet world market needs and provide value relative to our competitors.

Borrowing must meet prevailing terms and conditions. If we seek debt relief, we must comply with outside pressures to improve governance and economic management in accordance with prevalent practices around the world.

Investment requires us to create an attractive investment climate and then market ourselves effectively.

We must accept the reality that we are not an island unto ourselves. Nigeria needs the world more than the world needs Nigeria. We must therefore learn to behave by global rules and win on our merits. If we don't, we face further marginalization until we accept reality.

Reality #1 - ***Like <u>all</u> countries, we need to understand outside forces, plan realistically and behave accordingly.***

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Myth #2 - ***Nigeria has high potential and therefore is attractive to private investors.***

The oil boom also gave birth to this myth. The result was the indigenization decree and complex regulatory rules applied like a series of tollgates for foreign investors. The stated purpose was to select only those investors we wanted on terms we arbitrarily laid down. The end result, except for upstream petroleum and contracting to government, has been steady disinvestment and relative disinterest on the part of recognized multinationals.

Today's investment climate is very negative. High inflation and rapid Naira devaluation have caused capital flight and reduced existing investments to the point that many multinationals are disinvesting rather than face the headaches of operating here.

Our potential grows less and less attractive as multinationals shift towards skills and infrastructures not found in Nigeria. Our competitors are not only successful Asian countries, such as South Korea, Taiwan, Hong Kong, etc. but now China and India are opening up and Latin America is recovering lost ground. The competition is truly formidable.

Private investment will not flow into Nigeria for our potential, but only for rewards equal to or better than available elsewhere in the world. The same is also true of Nigerian capital and talent; which increasingly seek better returns offshore.

Judging from past inactions, these outflows will reach flood proportions before we recognize the seriousness and take action.

Reality #2 - ***Private capital is in short supply globally and, not generally finding Nigeria competitive, seeks better returns elsewhere.***

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Myth #3 - ***We <u>must</u> control foreign exchange to protect the economy and our people.***

This myth surfaced after the Structural Adjustment Programme was introduced. In my view, SAP was soundly conceived and executed, at least initially. But, once the sacrifices began to bite, implementation became a matter of half measures and protecting self interest.

Trying to implement SAP without anyone getting hurt was the ultimate folly. In so doing, we subsidized businesses and investors who should have been forced to move resources to more productive uses. We also created a class of speculators who bet against our financial systems. This myth led to subsidizing losers and turning winners into speculators.

Policymakers have tried to manage end results, such as interest, inflation or exchange rates. Unfortunately, these are nothing but indicators of underlying soundness or weakness of macroeconomic policy measures such as fiscal discipline, investment incentives, monetary systems, etc. We have attempted the impossible in trying to control the foreign exchange market, which has become the single most important allocator of resources. Reality teaches that capital flows between countries are so large today that no country can directly manage its exchange rate. We need only witness the UK experience in September 1992 and the general disarray of European currencies since then.

Both fiscal and monetary management must be coordinated in tandem and inflation must be kept low if a country is to have foreign exchange stability. In addition, we must recognize that the impact of capital flows makes the longer term health of each economy increasingly relevant to foreign exchange markets.

We must face the reality that inflation is enemy #1 for foreign exchange rates and go after what causes inflation -- namely fiscal indiscipline and deficit spending. We must learn that wasteful government spending creates inflation and inflation operates like a tax on the poor. We must fear inflation and take radical steps to eliminate it. If we are truly serious about bringing inflation under 5% and keeping it there, exchange rate predictability will become a reality.

Reality #3 - *Free markets, particularly foreign exchange markets, dominate the world economy today, teaching successful countries to focus their efforts on the basic macroeconomic fundamentals.*

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Myth #4 - *Government must control the commanding heights of the economy, including ownership of major enterprises.*

This myth had many adherents in developed and developing countries after World War II. We need not have felt so bad then since we were in good company, but today we are becoming lonely. Reality is forcing governments everywhere to downsize and return to traditional roles. Government must create an enabling environment for private sector to lead economic development. Private sector must become competitive at the global level to survive and prosper.

Nigerian privatization efforts are far less comprehensive than those of successful countries. We have changed ownership but neither improved management nor required privatized companies to show they can survive in free competition. TCPC has made a good start but we must complete the process.

Today's reality is that all commercialized government enterprises need to be privatized both as to ownership and management. NITEL, NEPA, NNPC, NPA, etc. all need to be privatized after being converted to autonomous, self sufficient commercial companies. Moreover, their monopoly position should be removed, allowing private sector to compete directly with them. While a large task, privatization will greatly unburden government finances and improve the return on enormous asset holdings. It will also help to create an attractive investment climate - for both Nigerian and offshore investors.

Reality #4 - *Government should stick to what it does best and free the private sector to develop the economy.*

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Myth #5 - *We have no problem with population except to get an accurate count.*

Our preoccupation with census seems to have embedded a myth that our population problem is one of accuracy and not of size or growth rate. Population size is seen as a source of power and clout, at least within Africa, whereas reality shows that strength only comes from population combined with a strong economy.

Recognizing that religious considerations make this topic a minefield, let me focus only on two points -

- first, we are reaching the point where we need to create roughly 1 million new jobs per year and we are nowhere near prepared or able to do so.
- second, we live in a world where knowledged workers and highly skilled technicians are in demand, yet our educational systems are in decline.

Myth #5 appears to have kept us from debating our need for population control, job creation and upgrade of our educational and training systems. We need such debate because solutions require years to implement and failure to act will result in our continued marginalization.

Successful countries are spending enormous resources on education and knowledge creation because they are the source of growth and job creation. In the U.S. and Japan, [6] it is reaching 20% of GNP whereas in Nigeria it must be less than 5%. Clearly, Nigeria should be spending more than developed countries, if we want to close the gap.

Reality #5 - ***We face serious problems of job creation and skills upgrade; both of them have long lead times to put right and require major investments. And, whether we like it or not, population growth is a ticking time bomb - it will blow up in our face if not seriously and immediately faced.***

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Myth #6 - ***We need to industrialize and we can do it just like the West did it before us.***

This myth is produced by historical contact with European and American economies rather than the successes of the Pacific Rim. We learned by example and we are now waking up to find someone else did it better - and differently. Today's road to industrialization has been permanently changed.

Successful nations concentrate on what they do best. They only temporarily support industries that cannot compete in global markets. They recognize a hierarchy of value added today which causes goods or services to be routinely outsourced to other countries when they can no longer be produced competitively at home. This pattern is particularly becoming institutionalized by Japan and the U.S. with trading partners in Asia and Latin America. Europe is not far behind but, unfortunately for us, they are looking east rather than south.

In contrast, Nigeria continues to pursue development of steel and automobile industries in spite of the technology and cost revolutions these industries are undergoing. We

continue to subsidize importers rather than stimulate production from local sources and for export. We continue to turn off agriculture by an overvalued Naira. Our natural gas reserves are under exploited and we seem content to export unprocessed crude oil. It seems our industrialization myth is more entrenched than it should be in the face of global realities.

It is not time for despair or remaining passive. We can build on hydrocarbons, agriculture and other natural resources while investing in people and skills necessary to outsource for others and to export on a regional basis. We must, however, not delay. We must pursue realistic industrialization approaches in place of using the historical, outmoded approach.

Reality #6 - ***Successful industrialization must be based on comparative advantage which requires an open and clearly focused economy.***

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Myth #7 - ***What we need is strong leadership in government. Government will then solve our major problems.***

This myth must have very deep roots since it is so pervasive and fosters a passive private sector. Probably it is partly a colonial heritage, partly a result of oil wealth, partly the result of government enterprises, and partly a result of military rule. In any event, power and decision making has become so highly centralized that the private sector brings its problems to government expecting them to be solved for it by government.

This myth fails of its own weight on three counts:

- first, global history shows that governments are not the best solution for economic problems,
- second, Nigeria's oil wealth is finite while our needs are infinite, and
- third, decentralized decisions are the hallmark of successful economies, with the private sector leading economic growth.

Reality #7 - Nigeria needs to decentralize and downsize government, then insist on local problem solving, particularly turning over active development of the economy to the private sector

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We could obviously discuss many more than seven myths - and seven realities. In fact, our analysis and dialogue should be continuous if realities are to replace myths in policy making. Today, we are trapped by our myths. We do not sufficiently explore new realities at the global level. We do not understand the realities of Nigerian based businesses. Hence we do not shed our myths and act on new realities.

LEADERSHIP CHALLENGE

Open discussion and debate about economic issues have expanded in recent years. In the process, dialogue between public and private sectors has become more frequent and constructive. But there is still not the give and take necessary to formulate sound economic policy and produce results. Business and government still work as adversaries rather than partners aiming at the same end result.

The first Nigerian Economic Summit, held in February 1993, was a major step in this right direction. Dialogue was extremely open, views were candidly offered, and priorities and action agendas were defined. The resulting Report and Economic Action Agenda provide the foundation for Nigeria's future dialogue and policy formulation. [7]

The closing remarks at the Summit by Chief E.A.O. Shonekan were entitled "The Way Forward". His key message captured the challenge we face:

> *"The way forward involves coping with a constantly changing world. The way forward requires hard choices and a willingness for us to experiment with new ideas. The way forward involves continuous dialogue among all stakeholders interested in Nigeria's future. This must include accountability to them as leaders of the public sector, private sector and private development agencies we represent. The way forward will be to explore new frontiers courageously and to innovate in the national interest. Our dream will be to create a Nigerian strategy for economic development which will lead us to reach our full potential as a nation.*
>
> *The Nigerian Economic Summit participants have joined the Transitional Council to be among the pioneers who will chart and explore the way forward. We will be charting the long term direction for our economic success. We will also be launching reforms on multiple fronts at the same time. Your efforts, together with those of the Transitional Council, are but a first step in a long march. It is a long march towards economic success and quality of life for all Nigerians.*
>
> *We can provide the economic platform for successful transition to civilian government. We can help democracy take root and grow. We can help hold a democratic government accountable for economic success and a quality of life.*
>
> *But our economic task must be seen as a continuous challenge. A challenge which we must commit ourselves to on behalf of future generations of Nigerians if we are to succeed."* [8]

The Abuja Summit was organized and carried out by the private sector under sponsorship by the Transitional Council. It is clear proof of what the private sector can do and how beneficial dialogue with the public sector can be. While conditions have not favoured subsequent implementation, it is clear that strong private sector support is available when government is willing to dialogue seriously about the economy.

The Abuja dialogue established clear priorities and reform programmes necessary to turn round the Nigerian economy. The next government can take the Economic Action Agenda as its initial blueprint. The main thrusts of immediate reforms should be to -

- let markets work,
- downsize government,
- earn debt relief,
- provide incentives,
- attract investment, and
- improve governance.

These reforms are set out in the Economic Action Agenda, [9] both in summary and in detail by 12 industry groups and 12 reform areas. Moreover, the private sector stands ready to work with government at any time in further dialogue, action plans and implementation.

The private sector challenge is to build on past successes and to both widen and deepen the communications process, meeting government more than half way in support of economic reform and democratic institutions.

Business can make a major contribution by persuading and helping Nigeria's leadership to face reality. Business lives with reality. We cope with reality continuously in order to survive and compete. We understand both global realities and the facts of life in Nigerian businesses and industries. We know what it takes for the economic environment to be attractive and how to encourage investors to invest further in Nigeria. Business must take the initiative if realities are to be understood and realistic economic policies formulated and implemented.

This is easier to say than to do. There will be strongly entrenched resistance from status quo forces. But there are many reasons to believe the timing is right to try. In the first place, the country needs a long term economic strategy as well as constructive improvements to the Structural Adjustment Programme. Secondly, the economy is in near crisis shape, with numerous policy failures needing immediate attention. We can expect IMF/Paris Club discussions to force major reform decisions to be discussed if Nigeria wants debt relief. Thirdly, democratic institutions will increasingly open up new avenues for dialogue and private sector inputs, especially with the National Assembly.

Business will need to learn to work effectively with democratic processes. The leadership challenge is to take the initiative which business can do by -

- supporting complete privatization of the media,
- sponsoring private sector educational and research institutions,
- providing facts and independent studies as inputs to policy formulation,
- helping to formulate a national economic philosophy and carrying the message nationwide, and

- supporting government through workshops, seminars, trade and investment missions, and other means for dialogue and marketing of Nigeria.

In my view, the past eight years have started an irreversible powershift from public to private sector. This shift is still in the early stages of being felt, particularly by the public sector. As we transition to democracy, the private sector should seek to lead in economic policy formulation and dialogue with government. As the powershift continues, the voice of business and economic reality should be increasingly heard and acted upon.

CONCLUSION

Our mission as businessmen is to build a strong economy. Let our challenge be to develop an attractive investment climate. Let us foster an enabling environment and encourage the private sector to lead our economic growth. Let us build public understanding and support by explaining how successful economies work, by educating about the nature and problems of business, and by articulating development strategies which serve the national interest. Let us take the initiative to foster a continuous dialogue between private sector and public sector. Let us structure the dialogue to include all other stakeholders throughout this great nation. Let economic policy formulation be an open process based on objective reality and constructive debate. Let business understand government needs and constraints, then go more than halfway to bring solutions rather than problems to the table. Let business be willing to explore mutually beneficial investment opportunities and economic policies. Let business uplift our ethical behaviour. Let market systems be free to serve the common good. Let Nigeria shape its future and not drift in the face of global forces at work. As an end result, let us have the will to be partners in progress, to provide quality life for all Nigerians, and to make Nigeria the African economic model.

With God's help, we can if we have faith in Nigeria and we face reality.

REFERENCES

(1) Sir Winston Churchill, Speech, House of Commons, November, 1947.

(2) "Is Democracy Bad for Growth?" pp. 26-29, Business Week, June 7, 1993.

(3) Further reference should be made to The Democracy Reader: Classic and Modern Speeches, Essays, Poems, Declarations and Documents on Freedom and Human Rights Worldwide, edited by Diane Ravitch and Abigail Thernstrom, published in 1992 by Harper Collins Publishers, Inc. (The Introduction is particularly useful to put current global political events in perspective).

(4) "Jobs" by William Burger, pp. 10-19, Newsweek, June 14, 1993.

(5) John F. Kennedy, Commencement Address, New Haven, Connecticut, June 11, 1962.

(6) Peter F. Drucker, Post-Capitalist Society, pp. 169-170, by Butterworth - Heinemann Ltd, 1993.

(7) Private sector initiative was particularly evident at the First Nigerian Economic Summit, Abuja, February 19-21, 1993. The Summit and followup meetings displayed considerable realism and forward thinking as shown by two publications - Report on the First Nigerian Economic Summit and the Economic Action Agenda - published by the Nigerian Economic Summit Organizing Committee in 1993.

(8) Economic Action Agenda, p.9, by the Nigerian Economic Summit Organizing Committee, 1993. See Report on the First Nigerian Economic Summit, pp. 108-117 for the complete closing speech.

(9) See particularly pages 10-19 of the Economic Action Agenda.