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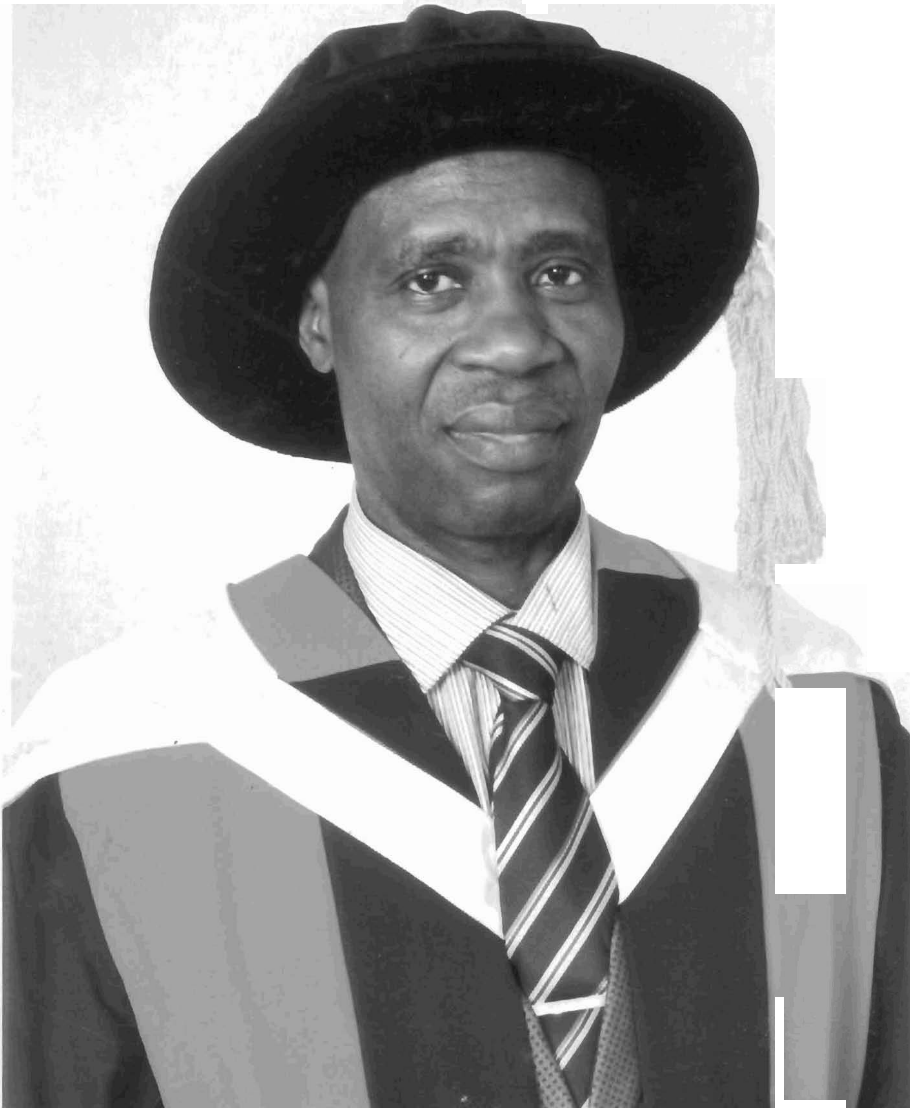
REFORMS AFTER REFORMS: DO THEY HAVE FEET OF CLAY?

By

ANTHONY ENISAN AKINLO
Professor of Economics



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Preamble

Mr. Vice-Chancellor Sir, Distinguish Ladies and Gentlemen, it is with deep gratitude and thanks to God and great honour that I stand before you to present the 273rd inaugural lecture of Obafemi Awolowo University. This is the sixth inaugural lecture delivered since the establishment of the Department of Economics; the last one was the 264th inaugural lecture delivered by Professor (Mrs) R. O. Soetan in August 2014. In this lecture, I intend to emphasize my contributions to research in the areas of reforms and economic growth. highlight the main flaws in the reforms and make recommendations on growth-oriented reforms, especially in Sub-Saharan African countries.

The foundation of my research efforts in Economics is laid on my PhD thesis titled "Impact of the Structural Adjustment Programme on Industrial Development in Nigeria", which I completed in 1995. By the beginning of the 1980s, macroeconomic performance in sub-Saharan African countries had witnessed a serious decline as evidenced by both domestic and external imbalances. This was the consequence of chronic economic and structural weaknesses as well as severe external shocks. In most SSub-Saharan African (SSA) countries, distortions and imbalances such as overvalued exchange rate, high protection across sectors, highly controlled financial system, over concentration on few exports and importation of consumer and producer goods, were prevalent. The chronic imbalances led to massive deterioration in economic conditions in the sub-region. Balance of payments deficits, low or negative per capita real income growth, inflation, and worsening foreign exchange reserves position pervaded most SSA economies (Akinlo 1992, 1993a,b).

In order to address the problems induced by these distortions and move the continent towards the path of growth and development, one or other forms of reform programmes with the assistance of the World Bank and or International Monetary Fund were introduced.

MACROECONOMIC THEORIES OF REFORMS

At the root of the reforms which started in mid 1980's in SSA was market liberalization. Liberalization means reliance on market mechanisms as a means of resources allocation in the economy as against administrative control. This, of course, constitutes the issue of contention between the classical (monetarists) on one hand and Keynesian-structuralists on the other. The classical-monetarists basic insight is that price signals in an open market, will bring about the necessary adjustments in an economy. This vision is derived from a world of near perfect competition, smooth convexities, significant price elasticities, and frictionless price and wage self-adjustment. The driving force in classical economics is the quantity of money equation, which is an identity equating the nominal value of output to the money in circulation in the economy. This is formally stated as: $MV = PT$, where M is defined as money supply, V is the velocity of circulation, P is the price level and T is aggregate real output.

A number of assumptions are made on this identity for the purpose of reinterpreting it as a theory. One, money is a measurable entity with a stable composition over time. Two, aggregate money demand is also a stable measurable function of income, and of the expectation of the price level. Lastly, income velocity of circulation is constant or suffers minor variations over a long period of time. It is assumed that the exchange rate under the classical-monetarists' model is determined by the demand for, and supply of foreign exchange, which in turn is derived exclusively from merchandise trade. Depreciation in the value of domestic currency *vis-a-vis* other currencies makes domestic goods cheaper in foreign markets and foreign goods dearer in domestic markets. The reverse is the case for appreciation. It is presumed that this mechanism adjusts the exchange of exports and imports in order to maintain equilibrium in the balance of payments.

Based on these assumptions, inflation becomes a purely monetary phenomenon, and can be curbed by simple elimination of budget deficits. Likewise, since both current and capital balance of payments are highly price sensitive, exchange rates and domestic interest rates should be allowed to float with a view to maintaining purchasing power parity (PPP). Finally, output remains insensitive to demand shock, especially in the long run.

The basic inference from the classical-monetarist postulate is that excessive government intervention in the economy constitutes the main origin of various imbalances, distortions and bottlenecks in less developed countries (LDCs). Excessive government control of the economy is seen as leading to high government deficits, high inflation rate and freezing of prices which will culminate in balance of payments problems, low domestic savings and productivity loss. These distortions, imbalances and bottlenecks which are often not easily amenable to government control, will in turn, precipitate capital flight as a normal response of a rational individual in the face of looming crisis (Ize and Salas 1985, Akinlo 1995).

The policy implications arising from the classical-monetarists' vision are the conditions of *laissez-faire* economics and limiting any government effort to the role of ensuring stable growth in the supply of money. Moreover, government efforts by way of public investments, employment programmes, exchange rate and price controls, and the likes, are superfluous since the self regulatory character of the economy would stimulate both economic efficiency and economic growth. In view of the above, it may be argued that to a large extent, the problems of imbalances and distortions are an aberration in the classical sense; market forces will work to eliminate these imbalances and distortions with little or no government effort (Akinlo 1995, 1996a).

In contrast to the classical-monetarists' vision, is the Keynesian-structuralist's conception derived from the negation of the basic tenets of the classical-monetarist model. The Keynesian-structuralist's see output as being demand determined, while inflation and its dynamics become mainly a function of input costs since rigid income levels often precipitate inflationary spirals which are then passively accommodated on the monetary side. Contrary to the postulate of the classical-monetarist theory, demand for goods, money and balance of payments, as well as capital, are insensitive to price changes. It is therefore, argued that the problems of most of the less developed countries (LDCs) derived from the excessive degree of openness of the economy, which has led to current account disequilibrium in real terms, and thus precipitated inflation in nominal terms.

In view of this, the Keynesian-structuralists posit that there is a need for government intervention in the economy through fiscal actions. Fiscal actions are viewed as exerting powerful influences on economic activity. Increases in the level of government expenditure are direct addition to aggregate demand, while a reduction in tax rates has the effect of increasing disposable income, and working through the multiplier effect, resulting in a general increase in income. Likewise, higher protection, strict exchange controls, *vis-à-vis* a lower interest rate and mandatory price controls, will aid investment and output, and prevent capital flight.

Worthy of note in the Keynesian and Structuralists remedial policy which necessitated higher protection, controls and further government intervention in the economy, is its tendency to worsen a depression or inflation, due to the existence of lags in the economy. A lot of time is taken between gathering data to formulate a counter-cyclical policy towards a developing or anticipated position and when the policy is executed. Thus by the time a particular policy is applied, the economy would have shifted to another phase of the cycle in which the policy will produce results that are opposed to the intended.

Moreover, besides the observation noted above, the practicability of Keynesian and Structuralist policies in correcting domestic imbalances and distortions, is also doubtful in a modern dynamic environment, as they were formulated for recovery in a static framework. As pointed out by Toyo (1987), competition, profits, prices and growth are not taken into consideration. In the same way, the question Harrod (1948) and Domar (1946) addressed has not been answered. If investment creates not only demand but also capacity, how do we then avoid excess capacity, the fall in the rate of profits arising from it and the panic that causes the down-turn? Equally, contentious is the argument that the multiplier is at best a tool for recovery analysis when the economy is depressed. This therefore raises the fundamental question of how to prevent the economy from being depressed. As a matter of fact, the main objection of the classical economists that the structural parameters such as 'multiplier' and 'accelerator' are unreliable given the fact that prices are free to vary in the course of competition, has not been addressed. Attempts to resolve this as indicated in the Staffer's neo-Ricardian analysis, Kalechi and even in Marx have not produced any lasting impact in the literature (Eichener, 1979).

The third theory (New classical theory) is considered antithetical to the Keynesian-structuralist theory of stabilization and reforms. The new classical theory is highly akin to the classical macro model except for the new assumption that aggregate supply depends on relative prices as against quantities as postulated by the Keynesians, which nonetheless, is consistent with the results of Walrasian general-equilibrium models. Essentially, the failure of the Keynesian concept of stability through state regulation in the face of stagflation led to the resurgence of the new classical economists focusing on supply side economics. The policy options suggested here are designed to force real wages down, lower production costs, increase real profits, and induce investors to invest. They equally advocated tax reduction, a cut in budget deficits and privatization (Ballet 1987, Akinlo 1995).

The policy package comprises measures that can be categorized into six: namely, reduction of government expenditure and subsidy, tax reforms, trade liberalization, currency adjustment (devaluation), more disciplined management of foreign exchange and privatization. These, in fact, constitute the so called IMF conditionality (Guitan, 1981). Essentially, the neo-classical structural adjustment programme preaches all out 'outward orientation' and 'market orientation' as the secret of successful development.

The last model, the Marxist theory is firmly rooted in three component parts of Marxism; namely political economy, dialectical materialism and class struggles (Onimode 1985). The Marxist view is derived from the basic proposition that class societies have in-built tendency to generate contradictions and crises. This contradiction is rooted in the material production of use values in which labour produces value beyond its subsistence, with the surplus going to the owners of capital. In fact, to the Marxist, the appropriation of the surplus value which results from socialization of production by the owners of capital constitutes the primary contradiction which often manifests in class struggles of both reformist and revolutionary types.

In the Marxian view, it is this general fundamental contradiction in capitalism that informs the other types of crisis (which can be periodically resolved) that are rooted in the economy, some of which owe their origin to simple commodity production. Marxist theory identifies three of such sources of crisis leading to inflation, unemployment, balance of payment deficit, and slow or negative growth rate.

The first source of such contradiction is the one between social production and consumption. This is a typical contradiction in all economic systems based on commodity production. This includes pre-capitalist formations but excludes subsistence communal formations. The establishment of commodity production and the existence of market intermediaries create tensions between production and consumption since the former is meant for exchange and profits rather than for the satisfaction of the basic needs. This situation eventually creates conditions for over or under production. The contradiction between production and consumption in simple commodity production becomes more intense under capitalism because of its superior and more complex market relations and multiple divisions of labour.

The second source of crisis in the Marxist theory, is the falling tendency of the rate of profit. This emanates principally from the proportionate displacement of workers by machine. As surplus cannot be derived from exploitation of capital, profit is bound to fall with very serious effect on the performance of the economy. The third source of crisis is the contradiction between national and international accumulation which has become more pronounced in the period of international finance capital.

Basically, to the Marxists, crisis and imbalances cannot be permanently eliminated from a capitalist economy; so also is capitalism incapable of reconciling the fundamental contradiction between social production and private appropriation of surplus. Hence, to the Marxists, crisis and imbalances cannot be eliminated by market liberalization or the structuralist-Keynesian prescriptions of high government control and regulations through fiscal policies.

REFORM PACKAGE AND ITS POLICY INTENTS

The reforms implemented in most African countries since mid 80s were tailored along the IMF and World Bank standard adjustment programme rooted in the Neo-classical school of thought. These reforms were designed to effectively alter and restructure the consumption, production, exchange and income distribution pattern of the countries. They were equally intended to eliminate price distortions and heavy dependence on exports of minerals and import of consumer and producer goods. Figure 1 summarises the major policies in reform package implemented in most Sub-Saharan African countries in mid 1980s. These measures could be classified into two broad categories, namely; liberalization /efficiency and stabilization measures. While the IMF focused on stabilization policies, the World Bank's focus was on market liberalization or structural adjustment policies.

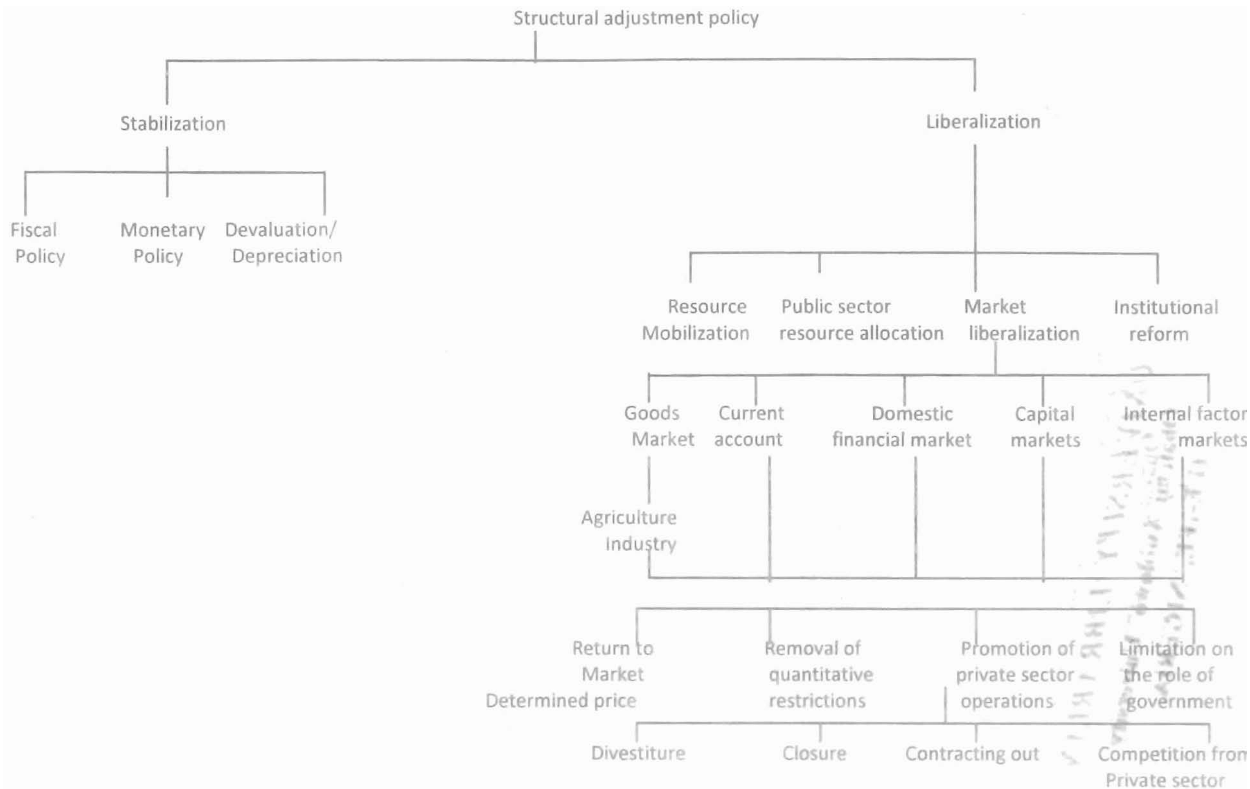

Figure 1: Policies in the adjustment package

The liberalization or efficiency measures were meant to dismantle government controls on prices, exchange rate, interest rate, international trade and capital flows. Domestic prices and commodity markets were indirectly deregulated in many African countries through the abolition of the commodity boards and the privatization and commercialization of some companies previously owned by government. Tariff and non-tariff barriers to trade were either abolished or reduced in most countries of SSA. In the same way, subsidies of some products were either abolished or slashed.

The rapid deregulation of the financial market was an important feature of the reform programmes because of many years of non-price allocation of credits and high negative real interest rate. The domestic capital markets were substantially deregulated. For one, interest rate ceilings in most countries of SSA were eliminated aimed at stimulating savings and encouraging inflow of foreign capital. Also, restrictions on movement of private capital were eliminated. Individuals were allowed to open foreign currency denominated accounts in banks. The foreign exchange market was deregulated by adopting floating exchange rate system in which the price mechanisms allocated foreign exchange amongst competing uses. Pricing reform for public enterprises was implemented within the context of privatization and commercialization policy. In some sub-Saharan African countries, most government owned parastatals were either completely privatized or commercialized. As an illustration, in the case of Nigeria, non-statutory transfer to all economic and quasi-economic parastatals were fixed at not more than half of their 1985 levels, and transfers to completely commercially oriented parastatals were required to embark on cost recovery measures; they were thus given more leeway in fixing prices for their services (Akinlo 1992, 1996a).

Stabilization Policies

The financial policy objective, under the economic reforms in Sub-Saharan Africa, is fivefold: moderation of inflationary pressure, stimulation of rapid financial development and efficient resource allocation, encouragement of foreign capital inflow and services, increase in exports from non-oil sources, and ensuring an improvement in the balance of payments (Akinlo 1992). Some of the policies undertaken included reduction in the growth of money supply to achieve internal or external balance, interest rate liberalization to motivate savings and reflect the opportunity cost of capital. Anti-inflationary fiscal programmes included control or elimination of government budget deficits, reduced spending, increase in taxes and withdrawal of subsidy (for example on education, health, petrol and agriculture).

However, the implementation of the IMF and World Bank inspired reforms in mid 1980s and their effects attracted a lot of criticisms in the sub-region. Consequently, an alternative reform programme was formulated by the Economic Commission for Africa for implementation in SSA. This reform package was tagged African Alternative Framework to Structural Adjustment Programmes for Socio-economic Recovery and Transformation (AAF-SAP).

THE AFRICAN ALTERNATIVE FRAMEWORK (AAF-SAP)

The African alternative framework to structural adjustment programmes for socio-economic recovery and transformation (AAF-SAP) was launched in 1989. This reform package was designed to address the structural weaknesses that led to the perpetual emergence of crisis situation in African countries. The package aimed at simultaneously strengthening the process of the generation, distribution and expenditure of national income. With respect to the income generation process, the critical focus was that of human-centered process in which productive forces were given a prominent role, with resources being used to bring about the transformation of the African economy from a primarily exchange economy to a production economy. The main focus of the income distribution framework was to ensure greater and more effective involvement of socio-economic institutional groups in the process of adjustment and transformation. The critical needs relate primarily to the production and accessibility of essential commodities and services, the production of essential factors inputs and the maintenance of increased investments levels.

BASIC FEATURES OF THE AAF-SAP

The AAF-SAP is anchored on three sets of macro-entities. These are operative forces, available resources and needs to be met. The operative forces include political, economic, scientific and technological, environmental, cultural and sociological factors. The available resources encompass human resources (quality and skills), natural resources (land, water and forests), domestic savings and external financial resources (ECA 1989; Tomori and Tomori 2004). The third entity needs to be met, places emphasis on vital goods and services and the ability to acquire them.

The AAF-SAP is broken into three modules. The first module brings out clearly the interrelationships among some specified forces with the level and pattern of resource allocation to determine the type and quantity of different categories of output. In this module, different sets of relationships in the process of producing goods and services and generating factor incomes were defined. The second module isolates those forces that explain the distribution of output and determine the level and pattern of allocation of resources. The third module brings out distinctively, the set of operative forces that interact with the level of income and pattern of income distribution.

Essentially, the three modules are perceived as dynamically interactive. The existence of gaps between the needs that have to be catered for and the actual product mixes will necessitate adjustments in the parameters and values of variables relating to the factor income generation and allocation. This will ensure the closing of the gaps. The major policy directions of AAF-SAP as enshrined in the document include: enhanced production and efficient resource use, greater and more efficient domestic resource mobilization, establishing a pragmatic balance between the public and private sectors, creating an enabling environment for sustainable development and food self-sufficiency among others.

To accomplish the policy directions outlined above, a number of policy instruments and measures were put in place. These instruments and measures were categorized into three groups; namely; (a) strengthening and diversifying production capacity; (b) improving the level of income and the pattern of its allocation; and (c) expenditure of income for satisfaction of critical needs. In addition, there were institutional measures introduced to ensure the efficient operationalization of AAF-SAP (ECA, 1989).

Some of the measures under category one include land reforms for better access and entitlement to land for productive use, enhancement of the role of women as agents of change and modernization of the food production sector, devotion of at least 20-25 per cent of the total of public investment to agriculture, increased foreign exchange allocation to importation of vital inputs for agriculture, sectoral allocations of credit using credit guidelines that would favour the food subsector, manufacture of essential goods as well as creation and strengthening of rural financial institutions.

In respect of increased efficiency in the allocation and judicious use of resources, some of the measures introduced included enlargement of the tax base and improved efficiency and probity of the tax collection, reduction of government expenditure on defence and on non-productive public sector activities, removal of subventions to parastatals other than those in the social sector and nationally strategic basic industries, use of limited realistic and decreasing deficit financing for productive and infrastructural investments and guaranteed minimum price for food crops managed through strategic food reserves (ECA, 1989).

Measures adopted under the third category included expenditure switching to raise government outlays on social sectors particularly in education and health. Others included use of subsidies and appropriate pricing policies to increase the supply of essential commodities required for maintaining a socially-stable atmosphere for development, selective use of trade policy including banning of certain specific luxuries, high tax rates on conspicuous consumption and competitive factor inputs that have domestic substitutes, strengthening intra-African monetary and financial cooperation as well as payments and clearing arrangements, limitation of debt service ratios to levels consistent with sustaining and accelerating growth and development. It needs be emphasized that AAF-SAP was generally a-theoretical and many SSA countries were more attracted to the IMF World Bank conditionalities which carried financial incentives or borrowing opportunities for cash stripped economies.

RESEARCH ON ECONOMIC REFORMS

My studies on economic reforms focused on its impact on the performance of the African economies in terms of some macroeconomic fundamentals. I have equally examined the key issues that are relevant to the design of development reform policy in general. My contributions are both theoretical and empirical. The first theoretical study looked at the implications of the African domestic structure for the adjustment programme in addressing the crises in the region. I analyzed the structure of the African economy and discovered the following: (1) it was essentially exchange oriented in nature (2) narrow and weak production base with weak inter-sectoral linkages (3) high sectoral and regional imbalances coupled with high income/wealth inequalities and (4) high openness and dependency with warped industrialization.

The structure of the African economy has major implications for structural transformation and recovery. One, even if the financial imbalances or disequilibria are eliminated, the fundamental structural imbalances will still remain if not aggravated. Two, the very nature of development or transformation is a disequilibrium process that must create disequilibrium. This simply means that economic reforms should not focus on just the removal of disequilibria or imbalances *per se* but on the need to increase the pace of development and satisfying the critical needs of the majority of the population in the process (ECA, 1989; Akinlo 1991, 1992). In a related study, Akinlo (1992) identified the institutional factors and in-built-destabilizers inherent in the economic reform package of 1986. The paper identified the structure in particular, the monolithic nature of the economy, the investment reduction impact of devaluation as well as restrictive monetary and fiscal policies which could cause stagflation and the big issue of credibility. The paper found that even though credibility was demonstrated in terms of government's willingness to carry out the programme despite its implied social cost, however, credibility in terms of public perceptions about the programme was very low. This credibility problem derived partly from the past history of frequent policy swings and failed macro adjustment attempts and partly from the financial behaviour of public functionaries which was not in any way consistent with the philosophy of the reforms.

Extending the analysis further, Akinlo and Odusola (1995) showed that the debt crisis in Africa was a symptom of structural weaknesses of the Sub-Saharan African economies. Therefore, the various debts and debt related policies in the adjustment reforms that focused on financial structures would not assist much in solving the debt problem in Sub-Saharan Africa. We argued that debts and debt related policies in the reform package should address the structural weaknesses in the economies including subsistent production mode, high degree of openness and high vulnerability to external shocks, among others.

In related papers, Akinlo (1997, 1998) and Akinlo and Odusola (1998), looked at the implications of the economic reforms for urban poverty and unemployment and psychological well-being. The analysis clearly showed that where economic reforms result in mass retrenchment (which is often the case in the short run), the cognitive, motivational and emotional status of those laid-off could be damaged, with adverse effect on productivity. The mechanism of operation is clearly summarized in Dairy and Goldsmith (1996)

> ... unemployment reduces the quality of the workforce history embedded in the labour force which by the intermediate run damages the psychological health of the group. To the extent that unemployment leaves a psychological imprints that persists following re-employment, individuals suffer lower self-esteem, learned helplessness and a loss of the latent by-products of working (like practice in management), and their personal productivity is likely to suffer (p.132).

The loss in productivity could further lead to decrease in employment, real income, real consumption, real investment and real savings. Indeed, even if economic reforms engender more employment in the long run, it might be difficult for the labour force to regain its initial level of psychological well-being for two main reasons: (a) unemployment creates a salient and lasting impression, (b) re-employment in a dissatisfying job usually fails to improve psychological health (O'brien and Feather 1990). Moreover, as pointed out by Burchell (1994), those who find upon re-employment that they harbour feelings of job insecurity-due possibly to loss of seniority, skill depreciation or a belief that further lay-offs are forthcoming-may not experience an improvement in psychological health. Indeed, Darity and Goldsmith (1996), argued that even if the original level of psychological well-being is eventually restored, the economy is not likely to return to its prior market clearing point due to income and wealth changes in the adjustment process to equilibrium.

As regards the impact of economic reforms on the environment, Akinlo (1994) identified various channels through which the policies in the reforms could affect the environment: (a) attainment of technical efficiency by firms through the use of less polluting modern technology would impact positively on the environment; (b) scale and allocative efficiencies are positively related to the environment as greater output is achieved with lower resource inputs. Price efficiency could result in reduction in consumption and output thereby reducing waste.

Moreover, removal of subsidies to industrial firms in the form of preferential access to fund, or through protection from foreign or domestic competition could have positive impact on the environment. This is because inefficiencies precipitated by these subsidies have been found to worsen pollution. Consequently, removal of subsidies could help to reduce pollution. The same applies to the removal of subsidies on energy, which may promote the growth of less-polluting industries and the adoption and diffusion of cleaner technologies with higher energy efficiency. Asides, the increased cost of energy could discourage wastage of natural resources. If the removal of subsidies could lead to a reduction in manufacturing activities and more rational use of energy in manufacturing sub sector; air pollution could thus be reduced.

In the same way, allowing the exchange and interest rates to find their real levels could benefit the environment. If such policies lead to increased production costs in the manufacturing sector, unit prices could increase leading to decrease in demand and thus output. In a sense, this could mean conservation of available resources, but where the increased production costs and unit prices work to affect the poor, the environment could be adversely affected in view of the link between poverty and the environment.

From the survey of manufacturing industries in Nigeria (Akinlo 1995, 1996a,b), we found that exchange and interest rates deregulation engendered increased production costs and unit prices. Increased production costs and unit prices precipitated low sales and accumulation of inventories, and ultimately a decrease in output. The environmental implications of these findings are many. They include a decrease in output production that could help in protecting the environment through a reduction in air pollution; and reduction in production activities that could enhance environmental protection as lower output implies conservation of existing resources. However, it needs be pointed out that conservation of resources could be at the cost of scale efficiency. Essentially, if the positive effect of output reduction on the environment exceeds the negative effect on capacity utilization, then it pays off to focus on output reduction rather than trying to increase capacity utilization (Akinlo, 1994).

Moreover, the rational use of energy by industries arising from the removal of subsidies could also have a positive impact on the environment. More efficient use of energy especially petroleum and electricity could mean less exploitation of natural resources. Interestingly, one of the ways that firms adjusted to the shocks from reforms was increase in the quality of their products (Akinlo 1993b, 1996a). This could well be taken that the reforms had a positive effect on the environment. Increase in quality of goods could translate to high standard of living, and ultimately lower the degree of environmental degradation. It needs be emphasized that increase in the quality of product *per se* cannot in itself affect environmental quality; rather this depends on consumption patterns of the people (Akinlo 1994).

Akinlo and Odusola (1997) identified the various channels through which economic reforms could aggravate urban poverty. The mechanism is as shown in Figure 2. Adjustment policies (exchange rate, interest rate, trade deregulation, price de-control) leading to increased cost of production thereby generating high unit prices that often lead to decrease in demand and sales. A reduction in sales would translate into accumulation of inventories which as shown in Figure 2, leads to retrenchment. This in turn, leads to a reduction in both consumption and production. Retrenchment has direct impact on consumption. This is because increased retrenchment among manufacturing industries means increased unemployment in the urban areas. Increased unemployment worsens poverty level as income level decreases. Moreover, when there is a high level of dependence as a result of high unemployment, welfare and poverty level will be adversely affected.

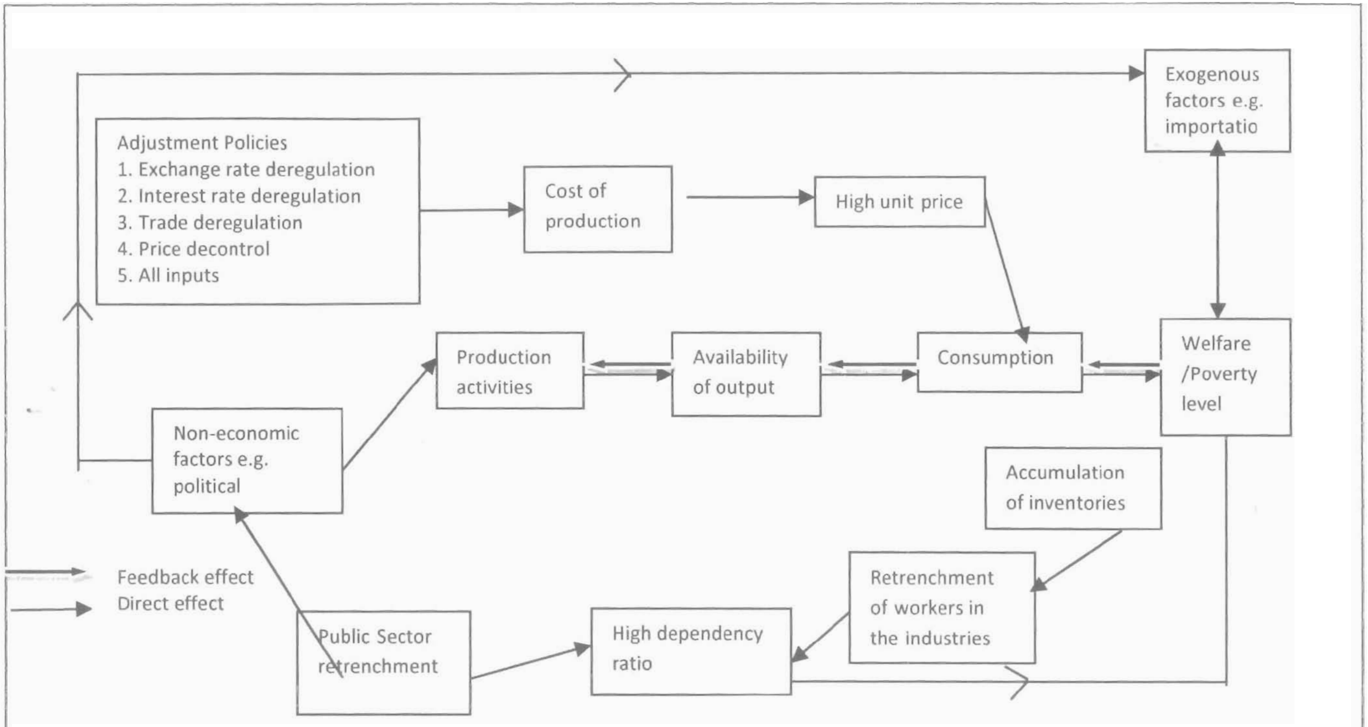

Fig. 2 : A Model of Adjustment Policies, Manufacturing Performance and Urban Poverty

At the empirical level, we have conducted research into the impact of economic reforms in African economies using both aggregate and sectoral data. Akinlo (1997) examined the performance of the African economies after the economic reforms. The analyses showed that the reforms led to stagnated agricultural and industrial production as well as decreased terms of trade. Moreover, the standard of living of the people deteriorated sharply post adjustment, when compared to pre-adjustment periods. We found that attempt to pursue economic reforms as well as maintaining the people's standard of living led to increase in borrowing. The negative effect of borrowing compounded as interest rates increased, coupled with serious decline in commodity prices, in the late 80s and early 1990s (Akinlo, 1997).

We, however, acknowledged the fact that the poor performance of the African economies after the series of reforms could not be attributed solely to the policies in the reform packages as counter-factual tests to show how the economy would have been without reforms were not conducted. Other explanations of African poor performance even after reforms included institutional weaknesses, corruption, trouble with neighbours, poor economic management and frequent ecological disasters. These factors did not only hamper the working of the various policies in the reform package, but also deepened the crisis in the African continent.

The economic reforms did not produce significant positive effects on the various sectors of the African economies (Akinlo 1993a, 1994, 1996a, 1999, 2000, 2001). Our study on reforms and the manufacturing industries in Nigeria, examined how the various policies in reform packages affected the manufacturing sub-sector in terms of profitability, local sourcing of raw materials, production costs, employment and manufacturing exports. The data utilized were sourced from 360 manufacturing industries in Nigeria. The analyses showed that changes in the exchange rate, trade policy and price had different effects on profits, capacity utilization, sales, production costs, exports and employment. The results showed that many industries were forced to source their raw materials locally. Increase in the local content of local raw materials had positive effects on subgroups such as food and beverages, textiles and clothing, soap and candy products in terms of capacity utilization, profits and exports. Likewise, many industries were positively influenced in terms of export promotion, which formed a major plank of the economic reform programme.

Nonetheless, some industries, particularly in the chemical and pharmaceutical, electronics and electrical and metals, were adversely affected in terms of profits, capacity utilization and local sourcing of raw materials. Many firms were quick to identify depreciation of the domestic currency and high interest rate which increased the costs of production as major constraints to manufacturing expansion (Akinlo, 1999). In general, the results showed that such subgroups as food and beverages, textiles and clothing, leather and shoes, soap and candy products, most of which Nigeria has comparative advantage in, benefitted positively from the reforms.

Evidence from econometric approach using both cross sectional (Akinlo, 1999), and time series data (Akinlo, 1996c, 2001), showed that significant mutual causation existed between output, employment, capacity utilization, production cost and profitability. The results from econometric analyses showed that exchange rate depreciation led to increase in production while it reduced employment, capacity utilization and profitability. Specifically, we found that a 1 per cent depreciation of the exchange rate caused 1.25 per cent decrease in output, 0.05 per cent decrease in employment, 0.61 per cent decrease in capacity utilization and 0.24 per cent decrease in profitability. Interest rate equally produced the same pattern of effects as the exchange rate. Our results showed that 1 per cent increase in interest rate led to 0.623 per cent increase in production costs while it reduced output, employment, capacity utilization and profitability by 0.521, 0.202, 1.52 and 0.582 per cent respectively. Local sourcing of raw materials had a positive effect on output, employment, production cost and capacity utilization. The same result was obtained for credit supply to domestic economy.

The results have significant implications for the current economic policies being adopted by the Central bank of Nigeria (CBN), particularly exchange rate depreciation and upward review of the interest rate. These policies will have adverse effect on macro fundamentals such as output, employment, savings and investment. Essentially, for countries that are highly dependent on imported raw materials and intermediate goods, exchange rate depreciation will lead to increase in cost with possible adverse effects on output, investment, savings and capacity utilization. In the same way, in most sub-sectors of Sub-Sahara African countries, stock of raw materials, semi-manufactured goods and intermediate ones are financed through credit. This, by implication, means that credit is a component of input cost. Thus, by mark-up pricing rules, high interest rate will lead to high prices. This, indeed, is in support of Wijnbergen's (1981) assertion that:

> Under monopolistic market structure, a high cost of credit will not only lead to a short run cost push effect, but lead to a reduction in real output, as real input costs have gone up.

The adverse effects of these policies on output, employment and production costs can only be reduced where firms are encouraged to source their raw materials domestically and government provides the basic infrastructural facilities such as electricity, good roads and security that are needed for production. Provision of these basic infrastructure will help to reduce the cost of production with possible positive effects on costs, employment, output and economic growth.

We further examined the impact of the reforms on local production of spare parts and steel products in Nigeria (Osin[illegible], Akinlo, Pelemo and Ibitoye, 1998). The study was based on the sample of 15 foundry industries, 17 forging industries and 10 wire and steel industries in Nigeria. Our study analysed the impact of liberalization policies on such variables as employment, unit price, profitability and capacity utilization. Our results showed that majority of the industries indicated that their profit levels decreased after the reforms. However, few of the respondents in the machine tool, and wire and steel industries reported that their profits increased marginally with the reforms. 59 per cent of the respondents indicated that liberalization did not enhance their efforts toward sourcing their raw materials locally. In fact, the calculated average percentage values of the raw materials sourced locally ranged from 19 – 23 per cent. Majority of the respondents (58%) indicated that their productive capacity levels decreased with adjustment. In the same way, most of the sampled industries signalled that liberalization had negative effects on employment level, production costs and unit prices of their products.

On how manufacturing firms perceived and adjusted to the shocks from the reform; our study, in Akinlo (1993b), found that managers viewed the reforms with considerable scepticism. The responses of manufacturing industries showed that they did not respond to the reforms instantly. However, despite cautious attitude of the industries, our study showed that there were some important adjustments by firms. Some major adjustments made by firms included increase in the quality of the products, changes in the inventory decisions, changes in marketing strategies and greater caution in financial management. Others were increases in unit prices of industries' products and reduction in labour force. Finally, firms identified credit sales, advertising, changes in product quality and competitive prices as the main factors behind their continuing participation in the market during the period of the reforms (Akinlo, 1993b).

Our study on how the characteristics of industries affected their perceptions and adjustments to the reforms showed that small-sized industries were not significantly negatively affected by the shocks from the reforms (Akinlo, Olusi and Akutson, 1999). The results equally showed that industries established after the reforms were more positively affected by the reforms in terms of output, profitability and production costs than the previous ones. Those industries established after the reforms utilized more local materials and did not employ labour reduction as strategy for adjusting to the reforms. From the stand point of investment, only those industries established after the reforms indicated to have increased their investment levels during the reforms (Akinlo *et al.* 1999).

This clearly means that in order to ensure a better performance of the manufacturing industries, emphasis should be placed on the establishment of small sized export-oriented industries. Also, industries should be encouraged to source their raw materials locally. This will not only help to reduce the increasing cost effect of imported inputs, but also enhance increase in employment, particularly among medium and large scale industries in both conglomerate and exporting categories (Akinlo, *et al.* 1999).

Summary of the Evidence

Mr. Vice Chancellor, the aggregate evidence seems to show that the various reforms initiated since 1980s in Sub-Saharan African countries have not had significant positive impact on those economies. Economic growth has not increased significantly, agricultural output has failed to keep pace with the population, leading to increase in food imports and manufacturing share of the total output has remained very low. Savings and investment equally remain very low, per capita income and consumption have also declined, while unemployment has risen phenomenally. This raises the issue of whether or not these reforms have feet of clay.

THE MISSING LINKS

Some of the foundations on which the theory is built are questionable, particularly the macroeconomic principles. A case in point is the assumption that humans are rational, self- interested, profit-optimizing creatures, which forms the root of some of the reforms. However, there is growing evidence that individuals in the developing world may be more likely to 'satisfice' than maximize (Rapley, 2007). This, by implication, means that they satisfy some minimum requirements, thereafter turn their time and resources to other pursuit. Under this situation, anchoring policies on the assumptions of profit maximization may produce contrary outcomes. As an illustration, government attempts to free up the market to maximize may not attract new entrants. This is because free market might bring about not only high returns but also high risks. Hence, potential entrants who are highly risk averse may decide to stay away for fear that their basic goals might not be achieved. In this case, it might be plausible for government to step in to minimize risks.

Moreover, most of the policies in the reforms implemented in SSA often fail to take into consideration the differences between the developed and developing economies like SSA. Undoubtedly, developing economies like SSA are full of market imperfections and characterized by dualistic economic structure. Highly modern economy coexists with backward rural areas where the same economic rules do not apply. There is so much market fragmentation which makes market integration rather difficult. The combined effects of market fragmentation and dualism tend to impede the operations of the labour markets in SSA. In a well functioning economy, wages should equilibrate the demand for and supply for labour. However, in many developing countries, where the level of education is low, few people have the requisite training to perform difficult manufacturing jobs. Therefore, increasing the supply of labour does not affect wages and one finds the peculiar third-world phenomenon of what has been called 'cities of peasants': large numbers of people leaving the countryside and flooding into cities, searching for jobs that do not exist, while a small number of skilled workers continue to earn relatively high wages (Roberts, 1978). Such situations, no doubt, require government's intervention to integrate markets, build up human capital and encourage the development of labour-absorbing production technologies.

Also very important, is the fact that in sub-Saharan African countries, capitalist firms do not constitute the principal economic agents. While firms do respond to price incentives, other agents tend to behave differently. As an illustration, third world households respond to price incentives, but they filter these incentives through traditional or structural arrangements. In many parts of Sub-Saharan Africa, women cultivate farms for food production but men decide how the farm's revenue will be spent. Under this situation, increasing producer prices might not cause women farmers to increase their output, since they will not see the fruits of their labours, and could better devote their energies to other tasks (Harriss and Crow, 1992). Essentially, most of the assumptions in the various reforms instituted in Sub-Saharan African Countries about individual behaviour tend to overlook the laws and customs that restrict the control of women in SSA on money, property and their own employment (Sparr, 1994).

Moreover, the reforms in SSA fail to consider the real structure of these economies. Sub-Saharan Africa domestic structure is basically exchange oriented, narrow and weak in production base, extremely open and highly dependent, thereby making it susceptible to external shocks (Akinlo 1991, 1992). These basic features have serious implications for reforms in SSA. They, indeed, constitute the main areas of problems that need to be addressed and not only the financial imbalances on which the reforms in SSA are based. As a matter of fact, since the financial imbalances are derivatives of the structural imbalances, even if they are eliminated, the structural imbalances will still remain which will eventually regenerate the previously eliminated financial imbalances.

Added to this, is the fact that, even if we assume that the structural imbalances do not regenerate the financial imbalances after their elimination by the reforms, the situation will be transient as the financial imbalances would be generated by the external forces especially the economic conditions in the advanced countries. Sub-Saharan African economies are highly integrated into the international system; hence, the crises in the advanced countries are often transmitted usually in more severe forms to these economies. Asides, the particular mix of fiscal and monetary policies often adopted by the industrial countries in dealing with inflation, and unilateral increase in the rate of interest will definitely regenerate the financial imbalances in SSA economies.

Moreover, liberalization, which constitutes the main policy of the reforms in SSA is argued would enhance efficiency. However, certain conditions such as perfect competition and free flow of information are required for efficiency to be achieved. Unfortunately, many of these conditions are not obtainable in SSA. Even if we assume that these conditions are obtainable and free market equilibrium leads to maximization of efficiency in the

Pareto optimum sense, there are other problems to contend with. For example, economic efficiency in Pareto optimum sense by reflecting static efficiency alone, that is, neglecting both dynamic and distributional aspects, makes it conceivable for a Pareto optimum to correspond to an inefficient distribution of income. As a matter of fact, considering the peculiarities of the continent, emphasis should be on dynamic and distributional efficiency rather than static efficiency.

The use of exchange rate adjustment and other outward looking policies as means of encouraging export supply and for reducing aggregate demand for imports in SSA, particularly in the face of increased protectionism in the advanced countries, has been criticized. Exchange rate devaluation and trade liberalization, set simultaneously together, in the face of inelastic demand for finished goods particularly when one considers the sub-region's preference for imported goods, would worsen the economic situation in SSA. Moreover, as the sub-region tends to rely on imported raw materials for production, exchange rate devaluation/depreciation will likely lead to increased input costs. Asides, since imports of the region have inelastic demand; devaluation when the trade balance is already in deficit, will lead a loss in aggregate real income. This is because expenditure on imported goods is likely to offset the possible increased profits to the exporters. Thus, income would be leaked through imports thereby causing the economies to contract.

Other policy measures in the reform packages are government expenditure reduction, domestic credit restraints, tight monetary and fiscal policies, reduction on physical and human investment expenditures. The basic assumption for incorporating these policies is that one can temporarily deflate, arrest growth, reduce government expenditure, while at the same time gathering strength for a new and hopeful sustained period of growth and development. However this presumption as noted by Singer (1989), seems to disregard the possibility that each cut-back may make it more difficult to resume growth from such a weakened position or even lead to further deterioration in growth rate. In other words, a reduction in growth, expenditure and saving today may lead to lower growth and development tomorrow. This is particularly possible when one considers the structure of the African economies including weak and narrow production base, high openness and poor infrastructural development.

Leaving aside the issue of structures, expenditure reduction and tight monetary policies could adversely affect investment. There are two main price channels through which restrictive monetary and credit policies might affect investment. The first is the increase in the real cost of bank credit and the second is the increase in the opportunity cost of retained earnings. Both effects lead to an explicit reduction in the market value of existing capital relative to its replacement cost, thereby precipitating a decline in investment (Akinlo, 1992). The investment reduction impact of expenditure reduction policies is likely to be aggravated by the deregulation of the interest rate.

In addition, devaluation of the currency may affect the profitability of investment through its impact on the relative price of capital in the economy. This is particularly critical for SSA with a high demand for capital goods, raw materials and intermediate goods. Since the continent's capital and consumer goods have high import content, the net effect of devaluation is to raise the supply or reposition price of these goods in terms of home goods thereby ultimately depressing investment in the home goods sector (Akinlo 1991, 1992).

It is equally contended that devaluation and restrictive monetary and fiscal policies can lead to stagflation. Tight monetary policies will lead to expensive credit, which in turn, leads to an increase in a component of input costs, and thus more inflation and less output. Moreover, as stock of raw materials and intermediate imports are financed through credit, by mark-up pricing rules, high interest rates emanating from deregulation and contractionary monetary policies will lead immediately to higher prices (Wijnbergen 1981, 1986).

Mr. Vice – Chancellor, given the highlighted flawed assumptions in the reforms implemented in SSAs, the various problems in the way neo-classical theorists put together their critique of statism and the basic structure of the African economies, one can conclude that economic reforms in SSA countries do have feet of clay. Economic reforms that will address the problems (distortions) in SSA must be internally consistent, based on sound theories, realistic in terms of their underlying assumptions and more importantly provide the basis for delinking the Sub-Saharan African economies from the capitalist economy.

A RETURN TO GOOD HOUSEKEEPING IN SSA

Mr. Vice Chancellor, since the problems facing SSA are rooted in structural weaknesses of these economies, there is the need for an alternative development framework. The alternative framework must comprise set of policies that have capacity to deal effectively with the structural problems, promote popular participation in economic and social process, and enhance universal welfare (Akinlo and Akinbobola, 2003).

Basically, these housekeeping policies are grouped into three broad sets. The first is shift from crises manipulation to reduce imbalance to managing imbalances - and averting their burgeoning out of control in order to provide a stable basis for strategic political and socio-economic goal setting and implementation. The second is change in the harnessing of domestic resources (human and materials) for development. The third entails adjustment of production, distribution and consumption patterns.

Transformation of production and consumption patterns

African adjustment must focus on the development of a coherent and plausible food policy. The import of the policy is better appreciated when one notes that food accounts for almost 60% of the consumer price index in most African countries. To accomplish this, the smallholder peasant segment should be transformed. This transformation will involve integration of the peasant segment to the modern sector. There should be improved access to land, improved allocation of scarce foreign resources to the agricultural sector, removal of restrictions on the movement of crops between regions subject to the requirement of national security. Moreover, there is the need to promote industrial production, not only to enhance capacity utilization level but also to raise the level of value-added. This industrialisation strategy should focus on agro-based industry that utilizes local raw materials. Existing industries in SSA should be encouraged to source their raw materials locally through incentives (Akinlo, 1996), and where found expedient, a time table should be drawn for industries within which they should reduce their import content.

Secondly, there is an urgent need to diversify exports into products whose global demand are projected to grow globally. These products will include horticultural products, semi-processed primary products including plywood, cocoa paste wood pulp and paper among others. Already, few African countries are moving in this direction. As pointed out in Akinlo and Akinbobola (2003), a wider effort that incorporates improved physical infrastructure, human resources and training, as well as adequate research on production among others is needed to ensure better results.

Thirdly, governments need to be effectively involved in poverty alleviation. Poverty constrains saving, investment, capacity utilization and productivity. The need to focus on poverty alleviation programme is rooted not only on the humanistic and altruistic aspects of development, but also on the rational proposition that development has to be engineered and sustained by the people themselves through full and active participation. Essentially, poverty reduction strategies and indeed other planning strategies should shift focus away from top down planning to down top approach. Such an approach will make development inclusive and effective. Development should be the organic outcome of a society's value systems, perceptions and endeavours (ECA, 1989).

Harnessing of Domestic Resources

Harnessing of physical and human resources is critical to development in Africa. Many African countries are endowed with material and human resources. Hence, governments in Africa must formulate appropriate policies to enhance capital and to ensure that human potentials are tapped to the fullest. Appropriate enabling environment should be provided for the private sector to thrive. This entails establishment of a set of rules and regulations that are clear and stable, provision of law and order, national security, appropriate tax policy and incentives. Moreover, governments need to be accountable, transparent, predictable and open in their transactions. This is better attained where democracy and governance are appropriately instituted.

Harnessing domestic resources equally entails utilizing African experts, technicians and higher institutions in terms of policy advice. This means that there is the need for capacity building and increased technical education in the continent. This is very important because of the positive linkages between capacity building and economic growth.

Shifting from crises manipulation to managing imbalances

The third component of housekeeping involves shifting from crises manipulation to reduce imbalance to managing imbalances. Policies that need to be implemented here will include budget management, expenditure restructuring, revenue raising, monetary and exchange rate policy, external resources management and environmental management. Budget management involves a clear and a certain frame of goals-resources-limits and ongoing monitoring to ensure results approximate projections and in particular, that massive, macro-destabilizing imbalances do not arise (Green, 1995). The main thrust is designing and enforcements of cash flow budgeting system to keep limits on government cash-overdraft-Treasury bill balances and ensuring efficient resource use. This is critical because large government budget deficits absorb domestic saving and foreign funds that could otherwise be channelled to the private sector.

Expenditure restructuring involves relocation of spending from defence, debt service, and surplus public servants among others to areas of critical needs. In particular, expenditure should focus on provision of basic infrastructure such as roads, electricity, education and such other amenities that will make the environment conducive for private sector to flourish.

Governments in Sub-Saharan Africa need to plug all leakages in their economies. Wastages in the areas of abandoned projects, poorly executed projects, and contract inflation should be totally eliminated. Also, waste in hidden expenditure in form of security spending should be reduced. In addition to expenditure restructuring and reduction, governments in Africa should focus on revenue rehabilitation. Tax systems need to be restructured. The suggestion is that with a bearable tax burden, and a well designed system, a typical African state should be able to collect 20% to 25% of total Gross Domestic Product and 30 to 35% of monetized products. For most states in Africa today, the ratios are far less than 20%. To enhance the level of tax revenue, governments in Africa should ensure that corruption is reduced to the barest minimum, if not totally removed. Moreover, attention should be focused on key taxes and main payers and on provision of appropriate incentives for tax workers. In SSA, the whole framework for the management of public money should be overhauled through an appropriate public financial management process to deal with political and financial accountability.

In order to achieve growth and development, there is the need to formulate sound macroeconomic policies that take into consideration the fundamental structures of the African economies. There is the need for realistic and stable real and nominal interest rates as well as exchange rate. In order to achieve realistic and stable interest and exchange rates, governments must exercise discipline in their spending. Moreover, there is the need to ensure a higher level of productivity in the domestic economy. Governments in Africa must ensure that recurrent revenue and expenditure are balanced except in cases of externally induced emergencies.

Mr. Vice Chancellor, the challenges facing African states are enormous and structural in nature. This is why reforms in SSA should be made to stand on hinds' feet with which the economies of the sub-region can propel forward.

My Other Contributions to Scholarship

Mr. Vice Chancellor, my research efforts have not only been in the areas of reforms. I have conducted several studies on the role of foreign direct investment, stock market development, exchange rate and other macro fundamentals on economic growth. Indeed, my research has provided empirical documentation of the roles of various macro-fundamentals on growth. My research work had provided pioneering original evidence on the differential impact of extractive and manufacturing foreign direct investment on economic growth (Akinlo, 2003, 2004, 2013). Before our work on FDI in 2004, most existing works on FDI and growth had focused on manufacturing FDI. However, our work on FDI has shown that extractive FDI is not as growth enhancing as manufacturing FDI. Specifically, Akinlo (2013) showed that non-oil FDI had much more impact on economic growth than oil FDI. We have demonstrated that FDI through capital formation and factor productivity had significant positive effect on economic growth in Sub-Saharan African countries (Akinlo, 2003). Indeed, one of my papers (Akinlo, 2004) was ranked first in ScieceDirect 25 Top Hottest articles from 2007-2012 and currently ranked number 2 of the 25 Top Hottest articles in Journal of Policy Modelling.

My research work on stock market and economic growth in Nigeria and some selected African countries provided a systematic analysis of how stock markets impact economic growth in Africa (Akinlo and Akinlo, 2009, Akinlo, 2008). I have clearly shown that stock market development has a significant positive long run impact on economic growth in Sub-Saharan Africa countries. I have been able to show that trend and cyclical components of stock market development positively affected economic growth. To the glory of God, one of our papers Akinlo and Akinlo (2009) was ranked as the second in ScienceDirect 25 Top Hottest Articles by Elsevier in 2009 and still remains among the 25 Top Hottest articles as at February, 2015.

I have equally examined the role of energy consumption on economic growth in Nigeria and in some African countries (Akinlo 2008, 2009). We have extended the frontier of knowledge by showing the differential effect cyclical and trend components of energy consumption on growth. This is in contrast to most existing studies that focused on aggregate energy consumption. My research has shown that energy consumption has a positive impact on economic growth. I have equally demonstrated in my research that the cyclical component of energy consumption had much more effect on economic growth than the trend component. To the glory of God, two of our papers were ranked by Science Direct as one of the 25 Top Hottest articles in Energy Economics and Journal of Policy Modelling published by Elsevier in 2008 and 2009 respectively.

I have equally examined issues on financial development, demand for money and growth (Akinlo and Sogotemi 2002, Akinlo and Odusola 2003, Saibu, Bowale and Akinlo 2009, Akinlo and Egbetunde 2010, Ogun and Akinlo 2010, 2011; Akinlo 2006, Akinlo and Folorunso 1999). Our studies have shown that financial development is critical to economic growth. Finally, our examination of the demand for money function showed that money demand function was somewhat stable in Nigeria. To the glory of God, one of my papers (Akinlo, 2006) was adjudged one of the 25 Top Hottest articles in 2007 by Science Direct.

In addition, I have contributed in examining the impact of exchange rate depreciation and its volatility on some critical macro variables (Akinlo and Adejumo, 2010, 2014, Olayungbo, Yinusa and Akinlo 2011, Yinusa and Akinlo 2007, Akinlo and Odusola 2003, Odusola and Akinlo 2001, Yinusa and Akinlo 2008 and Akinlo and Yinusa 2007). We have been able to show that exchange rate depreciation and volatility not only encouraged currency substitution, but also adversely affected exports, imports and economic growth.

In the area of financial reforms and bank efficiency and competition, our studies have shown that banking reforms helped to enhance competition and efficiency in the banking sub sector (Ogun and Akinlo, 2011; Ajisafe and Akinlo 2013 and Akinlo 2014). However, the reforms led to increase in capital flight (Akinlo and Ajilore 2010) and adversely affected manufacturing sub-sector as credit to the real sector decreased (Obokoh, Ehiobuche and Akinlo, 2011, Akinlo 2014 and Akinlo and Oni 2015).

Finally, several of our studies have examined productivity and poverty related issues as exemplified in Akinlo 2003, 2005, and Akinlo and Adejumo 2016, Akinlo and Aremo 2013, Akinlo and Oni 2013 and Bowale and Akinlo, 2012). Our studies have shown that while inroads have continued to be made in the reduction of poverty in East Asia and the Pacific, the situation in Africa remains precarious. Our studies have suggested several economic growth and non-growth measures to alleviate the problem of poverty in SSA.

Mr. Vice Chancellor Sir, Ladies and Gentlemen, my contribution is not limited to research as indicated above, I have made significant contributions in the area of capacity building and mentoring. Over the years, I have successfully, supervised forty five students at the post graduate level out of which sixteen were awarded PhDs. And to the glory of God, ten of the sixteen are currently in the Department of Economics, Obafemi Awolowo University (one of them recently took appointment with the Central Bank of Nigeria as Principal Manager). Two of them are already Associate Professors in Department, while one Dr. Usman Owolabi is an Associate Professor, Ladoke Akintola University, Ogbomosho.

Asides, to the glory of God, since promoted Professor in 2000, I have assisted in assessing 35 colleagues to the rank of either Professor or Associate Professor both within and outside Nigeria.

Mr. Vice Chancellor, Ladies and Gentlemen, the Almighty God has equally assisted me in lending a voice to the various conversations and debates on issues affecting growth and development worldwide. In 2002, I served as one the consultants on African Capacity Building Fund (ACBF) Project on the assessment of the Privatization Policy in Nigeria. The project was coordinated by National Centre for Economic Management and Administration. The team was charged with the responsibility of assessing the privatization programme in Nigeria. The findings provided inputs for subsequent privatization programme carried out in Nigeria.

In 1998, I was part of the team appointed by the Institute of Developing Studies, Japan to conduct a comprehensive assessment of Microfinance Institutions in Nigeria. The team headed by Prof. Ikhide was charged with the responsibility of evaluating the performance of Commodity and People's Banks in their bid to enhance access of the poor to credit facility in Nigeria. Many of our recommendations provided inputs for the Central Bank of Nigeria in the establishment of the new microfinance banks in Nigeria.

In 2006, I served as consultant to United Nations Development Programme (UNDP) on the project Evaluation of States Statistical Agencies Capacity Assessment Reports in UNDP Supported States in Nigeria. The team was charged with the responsibility of defining and developing implementation strategies for strengthening the capacity of SSA's with a view to effectively monitoring MDGs related activities at the state level. The findings of the report are now being used today as the road map and template in the endeavour to re-structure and re-position statistical agencies in Nigeria.

In 2010, I served as consultant to the state of Osun in preparation of the investment profile for the state. The profile was designed to provide information on the available minerals, agricultural and other important resources in the State.

In the area of administration and service, I have, by the grace of God, served, as Head of Department in addition to serving in various committees at the Departmental, Faculty and University levels. I served as the Director of Centre for Industrial Research and Development (CIRD) now Institute for Entrepreneurship and Development (IFEDs). I have served as member of National University Commission (NUC) Accreditation Programmes to some Nigerian Universities. In 2000, I served as member of the Governing Council of Adekunle Ajasin University, Akungba-

Akoko. I have served and still serving on Editorial Board of a number of impact journals in my field. The Almighty has been so good to me as the Current Dean of the Faculty of Social Sciences and in the various units that I have served in the University. I give God all the Glory.

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Mr. Vice Chancellor, Distinguished Ladies and Gentlemen, I thank you all for your attention.

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