Assessment of The Impact of World Bank Programmes on Sustainable Development in Nigeria

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ABSTRACT

The World Bank is an international institution tasked with supporting developing countries' economic development by offering financing, advice and research. The bank primarily functions as a group that helps low- and middle-income nations develop in an effort to combat poverty. Nigeria's membership of this Bretton Wood institution was ratified on March 30, 1961, following the country's independence in October 1960. Neoliberal institutionalism serves as underlying theoretical framework for analysis This model helps illuminate World Bank's contribution to fighting poverty and promoting economic development, social inclusion, capacity building, and sustainable development in Nigeria. The survey research methodology was used with in-depth interview as instrument deployed to pool primary data in addition to a comprehensive analysis of relevant literature in print format and online. The study reveals that endemic corruption and a lack of capacity are among internal dynamics within Nigeria that the World Bank have had to contend with. They also ostensibly account for apparent failure of some of World Bank development initiatives.

Keywords: Development Assistance; Neoliberal Institutionalism; Nigeria; Sustainable Development; World Bank.

INTRODUCTION

Since the end of the Cold War, as nations have worked to strike a balance between social inclusion, economic growth, and environmental preservation, the idea of sustainable development has garnered significant attention on a global scale (Munsasinghe and Sheaffer, 2015). Nigeria faces many obstacles in achieving sustainable development because of its large population, abundance of natural resources, and status as a regional power in Africa. These obstacles include rapid population growth, poverty, inequality, poor infrastructure, environmental degradation, and economic disparities. The World Bank (WB) and other international organizations play a critical role in addressing these issues. Recognizing the need for sustainable development, the Nigerian government has partnered with the World Bank to address these challenges and promote long-term economic prosperity, ensuring equal opportunities, and sustainable development. The World Bank has supported numerous development projects in Nigeria across various sectors. These projects have focused on areas such as agriculture, education, health, transportation, water and sanitation, energy, governance, and private sector development. Sustainable development in Nigeria has been a Nigeria has had a long-standing relationship with the World Bank, an international financial organisation, since 1958. The World Bank through two of its primary institutions namely the International Development Association (IDA) and International Bank for Reconstruction and Development (IBRD, provides leveraged loans and grants to member countries for development projects. Nigeria's membership of the institution was ratified on March 30, 1961, following its independence in 1960. Over the years, the country has engaged in various partnerships and collaborations with the World Bank to address its development challenges. The World Bank has provided significant financial support to Nigeria through loans and grants. These funds are typically allocated for projects and programs aimed at reducing poverty, promoting economic growth, improving infrastructure, and addressing social and environmental issues all aimed at ensuring sustainable development (Herbert,2022) Furthermore, the World Bank has provided policy advice and technical assistance to Nigeria in areas such as economic management, public finance, governance, and institutional capacity building. This support helped the country improve its policy framework and implement effective strategies for sustainable development. It has also been involved in supporting Nigeria's economic reform efforts. This includes areas such as fiscal management, public expenditure review, financial sector reforms, trade and investment policies, and poverty reduction strategies. Nigeria has also benefited from the World Bank's Multilateral Debt Relief Initiative (MDRI). Under this program, the World Bank, along with other international financial institutions, worked to reduce Nigeria's external debt burden, allowing the country to allocate more resources towards development priorities. In response to the COVID-19 pandemic, the World Bank provided emergency support to Nigeria to strengthen its healthcare systems, support vulnerable populations, and mitigate the socio-economic impacts of the crisis (World Bank, 2022).

Nonetheless the achievement of sustainable development has remained uphill task for Nigeria since gaining independence and some studies have put the blame on the Bretton Wood Institutions namely the World Bank and the International Monetary Fund (IMF) because of their evident support for globalization or liberalization as emerging trend in world economics. However, these studies suggests that the force of globalization or liberalization is latent with both planned and inadvertent consequences especially for developing countries such as Nigeria. Nonetheless, some studies submit that the country has yet to connect with the various economic opportunities that current innovations and best practices in globalization have created due to its internal challenges such as high level illiteracy and insecurity. This study will examine those internal factors and dynamics that have contributed to forestalling sustainable development in Nigeria, including systemic corruption, poor governance, endemic disease and poverty that have further aggravated the overall deplorable conditions in the country and pushing it down the margins of international trade, diplomatic relations, the United Nations and other global matters.

According to a 2004 UN report, the struggles of African states to attain sustainable development have been stalled by conflicts, insufficient investment, limited market access opportunities and supply side constraints, unsustainable debt burdens, historically declining levels of official development assistance and the impact of disease. The study examines the role of the World Bank in promoting sustainable development in Nigeria. The all important role that this financial institution plays in supporting Nigeria to enable it actualize its present needs without putting at risk its future prospects amounts to a sustainability drive which constitutes the foundation for today's foremost global framework for international cooperation. It is worthy of note that the basic specifics and dynamics of Nigeria's relationship with the World Bank may evolve over time as new administrations emerge in the country, new projects are initiated, priorities change, and global circumstances evolve (Adejumo, 2020). In order to create a better understanding of the nexus between the World Bank and Nigeria, and the ways that this relation can lead to sustainable development, a clarification of the task in hand, in a detailed statement is needful.

METHODOLOGY

The work relied on secondary data. Data, therefore, was collected from magazines, textbooks, monographs, journal articles, seminar papers, and symposiums that are directly or indirectly related to the subject matter. Data collected were analysed using the content analysis method.

THEORETICAL FRAMEWORK

The theory adopted for this work is Neoliberal Institutionalism. Prominent scholars who developed the neoliberalist school of thought are Robert Keohane and Joseph Nye, who in 1989, published a world famous book, Power and Interdependence. According to Keohane and Nye, in addition to states, there are several other actors on the global stage that influence world politics. Trans-national linkages, and the various patterns of interdependence between states crucially influence the ways in which states behave and conduct their foreign policy. Furthermore, Mastanduno (1991) suggests that relative gains can be destructive as they are conducive to the twin evils of protectionism and nationalism Neoliberals show more concern as to how a state benefits overall, as opposed to how a state will benefit in comparison to others; it is suggested that policy makers will consider absolute gains to be made from an agreement, including potential longer-term gains. Neoliberals argue that to focus on relative gains is misguided as economic interdependence ensures that neither side can effectively exploit the economic relationship and take advantage of the other politically.

Hosli (2020), advances that, international relations theory, the liberal strands of thought have been adapted and incorporated under one approach labeled as neoliberalism or also known as neoliberal institutionalism. As formerly mentioned, this tradition shares some of the core principles with realism and neorealism, including the assumptions that states are the most important actors in world politics and that they behave rationally. Additionally, neoliberalists concur with realists that the anarchic system creates conditions of uncertainty, mistrust and fear between states, thereby making cooperation difficult. Nonetheless, there also some key differences between the theories on other significant aspects.

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In neoliberalism, like in neorealism, the global system is believed to be anarchic, but states are not seen as the unit of analysis acting as cohesive entities and instead as being constituted by a range of different actors. Domestic politics and international institutions shape the priorities of governments and co-determine their behavior. In addition to this, actors can cooperate across state borders. Multinational corporations and transnational interest groups, for example, are seen as playing an imperative role in shaping the incentives for states to act. International institutions and what is called regimes which is essentially sets of rules, norms and principles that govern behavior in giving issues areas are seen to affect state behavior. In fact, Stephen Krasner (1982) defined international regimes as being implicit or explicit principles, norms, rules and decision- making procedures around which actors' expectations converge in a given area of international relations.

The essential characteristics of Neoliberal Institutionalism as captured by Hosli (2020) are:

i. States are key actors, but not the only significant actors. States are rational, always seeking to maximize their interests in all issue-areas.
ii. In a competitive environment, states seek to maximize absolute gains through cooperation. As rational actors, states prefer cooperation.They are not concerned with the relative gains of others.
iii. The greatest obstacle to cooperation is non-compliance and cheating by states.
iv. If institutions are seen mutually beneficial by states, then they will shift their loyalties to these institutions

WORLD BANK AND SUSTAINABLE DEVELOPMENT IN NIGERIA

According Omobuwa and Hasaan, (2021), the World Bank sustainable procurement, environmental and social standards enhancement project have strengthened public sector capacity in managing procurement, environmental and social standards in the public and private sectors. The has enhanced the skills set of over 21,000 public servants and help over 4,000 professionals become certified in procurement, environment and social standards. It has also ensured that accredited degree programs meet international best practice and good international industry practice in these areas. The project will help tackle incompetence and the risk of environmental or social harm as investments are implemented. The World Bank, especially in Ogun State, has developed an economic transformation project to promote private investment in the Southwest region by improving the business environment, strengthening linkages between agricultural producers, suppliers and service providers, and provide training and apprenticeships for women and farmers.

As part of efforts to attract more investments and improve ease of doing business in Ogun, the state government has entered into this partnership with the World Bank under the framework of investment in risky agriculture

High risk is responsible and comprehensive (Adeleke, 2023).The partnership includes a project to economically transform Ogun State in the agricultural and industrial sectors, and is expected to remove bureaucratic barriers that hinder easy access to land for investments in agriculture and industry. Therefore, the State hopes to attract more investment and stimulate industrialization.

Among some of the key results, the project will facilitate collaboration between farmers and agribusinesses and improve STEM teaching in up to 70% of public secondary schools. Generally, the World Bank innovation development and effectiveness in the acquisition of skills project will strengthen the skills of 50,000 Nigerian students and enhance the capacity of technical teachers to better equip them for jobs in the formal and informal sectors. These project aims to increase the female enrollment rate from 13% to 23% in technical colleges and provide recognized skills and certification to 3,000 youth after they complete an informal apprenticeship.

In May 2020 however, the World Bank approved the Nigeria Sustainable Urban and Rural Water Supply, Sanitation, and Hygiene Program (SURWASH). The $700 million credit from the International Development Association (IDA) was expected to provide 6 million people with basic drinking water services and 1.4 million people access to improved sanitation services. The program designed to deliver improved water sanitation and hygiene (WASH) services to 2,000 schools and Health Care Facilities and assist 500 Communities to achieve open defecation free status. These was implemented as part of the Government of Nigeria's National Action Plan (NAP) for the Revitalization of Nigeria's Water Supply, Sanitation, and Hygiene Sector (World Bank, 2020)

In 2019, approximately 60 million Nigerians were living without access to basic drinking water services, 80 million without access to improved sanitation facilities and 167 million without access to a basic handwashing facility. In rural areas, 39 percent of households lack access to at least basic water supply services, while only half have access to improved sanitation and almost a third (29 percent) practice open defecation, a fraction that has marginally changed since 1990. In recent years, the Government of Nigeria has strengthened its commitment towards improving access to WASH services, spurred on by the need for Nigeria's WASH sector to catch up with its regional counterparts. This led to the Government declaring a State of Emergency in 2018 and launching the NAP aimed at ensuring universal access to sustainable and safely managed WASH services by 2030, commensurate with the SDGs.

The World Bank recommends that deep structural reforms guided by evidence are urgently needed to lift millions of Nigerians out of power. The World Bank puts forward endorsements for significant, long-term changes that would support pro-poor growth, help lift Nigerians out of poverty, and maintain it. These include: policies to increase the productivity of farm and non-farm household enterprises, and macroeconomic reforms including trade, tax, and exchange rate policies, as well as expanding access to information and communication technologies while enhancing the availability of energy, water, and sanitation.

The World Bank strongly advocates that ICT access and use can contribute to the transformation of people's daily lives, social organizations, and national economies (Mora-Rivera and Garcfa-Mora, 2021). Significantly, the COVID-19 outbreak has highlighted the significance of ICT for international economic activity. Investing in ICT infrastructure could help lower transaction costs, as well as flaws in the market like information asymmetry and uncertainty, hence citizens can now follow the digital identities of reliable creditors. Similar to this, a number of financial technology (Fintech) and digital information platforms have multiplied across Africa. These fintech businesses have increased the accessibility of traditional financial institutions' services, such as loans and payments. All of these reforms could contribute to structural transformation, economic diversification, the creation of high-quality, productive jobs, the support of social protection programs, and other government policies aimed at redistribution.

The World Bank underscores how urgent these reforms are in light of Nigeria's expanding population and how important it is that the nation take advantage of the potential of its youth to achieve economic prosperity. It also says that shaping the specifics of Nigeria's poverty-reducing policies will depend strongly on redoubling efforts to gather and analyze data regularly. Additionally, the World Bank Community and Social Development Project (CSDP) has expanded impoverished people's access to better infrastructure and social services in a sustainable way. Joint decision-making between communities and sectoral agencies is encouraged by this bottom-up strategy, where the communities act as the drivers of this paradigm (World Bank, 2022). The program, which has helped 23 million Nigerians and is available in 29 of the country's 36 states, is successful because it gives voice to underrepresented groups.

Financial stability, economic and social development, and poverty reduction can all be facilitated by financial inclusion (UNCTD, 2019). Financial inclusion's widespread adoption in developing nations is still fueled by the significant positive effects it has had in developed nations. People who are socially and economically marginalized in Nigeria do not have access to official financial services. These individuals lack bank accounts, are unable to obtain credit or insurance, and have no ways to save money and are ineligible for social benefits. Still, it's getting harder and harder to include those who reside in rural suburbs because they lack access to official banking services.

These individuals lack bank accounts, credit, insurance, and any way to save money. They are also ineligible for social assistance. Still, it's getting harder and harder to incorporate these people into the financial mainstream due to the lack of financial service providers in rural suburbs. However, the World Bank intervention at the subnational level such as the Ogun State Economic Transformation Project aims to enhance the private sector's economic involvement within the zone by bolstering agro-food value-chains, upgrading skills, and improving the business-enabling environment (BEE).

CHALLENGES CONFRONTING THE WORLD BANK SUSTAINABLE DEVELOPMENT INITIATIVES

According to Tiertenberg (2016), an understanding of economic and development challenges such as corruption capacity deficit is important and tackling each type is essential to achieving lasting progress and change. Fighting corruption and building capacity often requires determined efforts to achieve. Transparency and open governance are often part of the problem, but rarely the whole problem. As popular discontent with corruption, cronyism and lack capacity reaches its peak, the political benefits of fighting corruption and capacity building may outweigh the costs of disrupting interests. Short of sweeping reform efforts, progress can be achieved through better and more open processes, professional accountability systems, and the use of the latest advanced technologies to capture, analyze, and share data to prevent, detect, and deter corrupt behavior and incompetence (Ortega, 2017)

The World Bank Group leverages advanced technologies to enhance public sector performance and productivity, fight corruption, and help enhance trust and accountability, especially in challenging environments. most fragile Many of the world's costliest forms of corruption could not happen without institutions in rich countries: private-sector companies pay large bribes, financial institutions receive corrupt proceeds, and lawyers, bankers and accountants facilitate corrupt transactions. Data on international financial flows show that money flows from poor to rich countries in ways that fundamentally undermine development. Corruption is a global problem that requires a global solution (World Bank, 2022). The World Bank Group has worked for more than 20 years to mitigate the harmful effects of corruption and incompetence in its client countries. The Bank Group works at the national, regional and global levels to help build capable, transparent and accountable institutions, and to design and implement anti-corruption programs based on discussions and the most recent innovations.

CONCLUSION AND RECOMMENDATION

World Bank's involvement in Nigeria has contributed to sustainable development initiatives in various sectors of the economy including health, power, education, social inclusion, agriculture, and capacity building. Specific World Bank interventions in areas including agriculture, health, education, and public sector reforms, among others, have galvanized efforts towards promoting sustainable development in Nigeria. Nonetheless, the challenges of corruption and lack of capacity in Nigeria have been a challenge for the World Bank in its efforts at supporting sustainable development. However, the World Bank has continually provided technical assistance and shared information with Nigeria on ways to address these twin challenges. The impact of World Bank's social intervention on poverty reduction and social inclusion as well as education and health in Nigeria has been

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well documented and these measures have continued to gain the desired momentum with each succeeding administration.

World Bank's involvement in Nigeria has contributed to sustainable development initiatives, but these gains have often been blighted and rendered ineffective by endemic corrupt practices on the part of Nigeria, the country needed to make genuine efforts at addressing the problem of corruption.

Apart from the Fadama Project Series that ended in 2019, Nigeria should continue to consolidate on and strengthen collaboration with the World bank in the area of healthcare, especially the model primary health care delivery and the AGILE program so as to promote conditions necessary for their sustainability hence contributing to national and human security.

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