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EFFECT OF EXTERNAL DEBT ON NIGERIAN ECONOMY, 1994-2015

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ABSTRACT: T*he study set out to investigate the effect of external debt on Nigerian economy. Time series data for twenty-two years that span from 1994 to 2015 were obtained and subjected to test using Ordinary least square regression (OLS) for the hypotheses formulated for the study. The study revealed some forms of long run relationship between Gross domestic product, on the one part and external debt, external debt service and export, on the other part but of particular importance is the long run marginal negative relationship between external debt and Gross domestic product. The study further confirmed causality, from predictors to dependent variable and recommended that there should be a ban on external debt in Nigeria, for some time. However, where external debt is unavoidably necessary for productive venture/investment that can boost export, it should be for such specific venture/investment and should be well managed to pay back the external debt and its associated service cost, thereby justifying the decision for such external debt without further stress on the economy.*

KEYWORDS*:* external debt, external debt service, value of export, economic growth

INTRODUCTION

Government borrowing is a global phenomenon. Nigeria is not an exception. The question has always been: why does government borrow? Rationally, government borrows to bridge the fiscal gap arising from budgeted income being less than budgeted expenditures for a given budget/fiscal period, usually one year. This implies that borrowing becomes imperative to address the budgetary gap arising from expected income being lower that the expected expenditure. The necessity for government to borrow in order to finance budget deficits has led to the development of external debts (Osinubi and Olaleru, 2006; Obadan, 2004b). Narrowing down the whole essence of borrowing, it is believed that government borrows to finance public goods and services whose bottom line implication is to increase social welfare and economic development. This rational for borrowing continues to be questionable in most developing economies especially Africa where social evidences point to dearth or dilapidated infrastructures as well as fraudulent accumulation of wealth by leaders within and after their tenures of leadership. Here, the rational for borrowing becomes more questionable seeing the ravaging level of poverty and underdevelopment in developing economies, thereby raising concerns on where and how the budgeted expenditures for the said economies have been spent over time.

Promoting the level of economic growth and development of nations and improving the standard of living of the citizenry should be and will continue to be a cardinal objective of every responsible nation and this may not all be effectively realized from domestic savings without resort to external funding. Admittedly, Adepoju, Salau and Obayelu (2007) opined that due to scarcity of resources

and the law of comparative advantage, countries depend on one another to foster economic growth and to achieve sustainable economic development. No government, therefore, is an island of its own; it would require aids so as to perform efficiently and effectively. One major source of aid is foreign borrowing or external debt (Sulaiman and Azzez, 2012). In a way, government borrowing appears to be an inevitable way out for developing economies considering the high demand for budgetary expenditures both for huge capital items as well as yearning recurrent expenditures which are expected to fill the developmental and poverty gaps associated with underdevelopment. The situation in developing economies is complex and compounded by weak taxation capability or inadequate internal sources of revenue which makes external debt more inevitable. Internally generated revenue, obviously, is further undermined by under-development that has bedeviled the developing economies. In the views of Sulaiman and Azzez (2012), the motive behind external debt is due to the fact that countries especially developing ones lack sufficient internal financial resources and this has necessitated foreign aid. According to Ijeoma (2013), it is generally expected that developing countries facing scarcity of capital will acquire external debt to supplement domestic savings. This is in line with Pattilo Economic theory which suggests that reasonable levels of borrowing by developing country are likely to enhance its economic growth (Pattilo, Ricci and Poirson, 2004).

Similarly, the dual gap theory can come in here to rationalize countries' embarking on external borrowing. The dual- gap analysis provides the framework which shows that the development of a nation is a function of investment and that such investment which requires domestic savings is not sufficient to ensure that development take place (Oloyede, 2002) as cited in (Sulaiman and Azzez, 2012). This therefore emphasizes the need for external debt in sustainable economic development. According to Hameed, Ashraf and Chaudhary (2008) external borrowing ought to accelerate economic growth especially when domestic financial resources are inadequate and need be supplemented with funds abroad.

Having established the imperative of external borrowing through the dual gap theory, there is still need to caution that the relevance and necessity of external debt to facilitate economic development should not be sheepishly pursued to the extent that it becomes counter –productive and to the effect that it retards the economic development which it sets out to engender. Soludo (2003) opined that countries borrow for two broad categories; macro economic reasons to either finance higher investment or higher consumption and to circumvent harder budget constrain. This implies that economy borrows to boost economic growth and alleviate poverty (Sulaiman and Azzez, 2012). Soludo (2003) further argued that when debt reaches a certain level, it begins to have adverse effect, debt servicing becomes a huge burden and countries find themselves on the wrong side of the debt-laffer curve, with debt crowding out investment and growth. The idea of debt-laffer curve also implies that there is a limit to which debt accumulation stimulates growth (Elbadawi, Ndudu and Ndung'u, 1996). In reference to debt-laffer curve, Lensik and White(1999) as cited in Ibi and Aganyi, (2014) argued that there is a threshold at which more debt is detrimental to growth.

For purpose of explanation, the debt-laffer curve was first introduced in the context of the 'debt overhang' argument by Sachs (1989). Front and Krugman (1990) formalized the actual derivation of the curve and the underlying logic behind it. The curve illustrates a situation in which a country

is borrowing too much that it surpasses a certain endogenous threshold of debt which may result in efficiency and losses. That is to say that due to the magnitude of the debt burden which results to huge debt servicing cost, the affected country is incapacitated or constrained that her income will largely be spent on the servicing of the debt instead of investment that can improve her economic growth and development. In such situation, debt forgiveness is recommended, and it should come at a minimal cost for the creditors: a reduction in the face value of the debt will not lead to a reduction in the expected value of the repayments because it will decrease the risk of default (Front and Krugman, 1990).

External debt, therefore, is the component of a country's total debt (also called national debt) that is borrowed or sourced from foreign lenders, usually institutional lenders. In the case of Nigeria, her external debt is the component of her total debt owed to foreign institutional lenders like multilateral club, London club, Paris club etc. The external debt of a country like Nigeria comprises of the debt stock itself and the accumulated interest charge on the debt stock. For parity in value for external debts and to minimize the effect of domestic inflation on the debt stock, settlement of external debt are usually made via the same currency for which the fund was first released. In order to earn the needed currency to liquidate external debt, the borrowing country may sell and export goods to the lender's country (Obadan, 2004).

Nigeria's journey into external debt phenomenon was never accidental; it all commenced with a purposeful developmental intention/initiative in 1958 with a twenty-eight million US dollar loan for railway construction from World Bank. Between 1958 and 1977, the need for external debt was on the low side (Ibi and Aganyi 2014). Precisely in 1960 and 1970, the external debt stock was 69.7 million US dollar and 246 million US dollar respectively. In 1971, Nigeria debt stock was I billion US dollar. According to Ibi and Aganyi (2014) due to the fall in oil prices in1978 which exerted a negative influence on government finances, it became necessary to borrow to correct balance of payment difficulties and to finance projects. In 1977, the debt stock rose to 3,140 million US dollar and in 1978, Nigeria took a major external debt by borrowing 1 billion US dollars from the International Capital Market thereby increasing the total debt to 2.2 billion US dollars (Adesola, 2009). Since then, it has been on the rising trend and by 1991, it had hit 33.4 billion US dollars.

From the 1980s the rate of external borrowing increased with the entrant of state government in external debt market coupled with a rapid accumulation of trade bill. The external debt stock rose from 8,934 million US dollars in 1980 to 12,954million US dollars in 1982 and 19,550 million US dollars in 1985 (Anyanwu, Oaikhenan, Dimowo and Oyefui, 1997). In 2004 and 2005, the external debt stock stood at 489,269.6 billion US dollars and 26,950,027 billion US dollars respectively. Erhieyovwe and Onovwoakpoma (2013), lamented that Nigeria, a country whose debt was minimal and insufficient in 1970, a country that advanced loan to International Monetary Fund (IMF) during the oil boom of mid 80s is later in the year 2000 to 2005 listed among the leading nations of the world with serious external debt problem. They further opined that the history of Nigerian mounting debts can hardly be separated from its decades of misrule and the continued recklessness of its rulers. There is no doubt that rising external debt has tremendously affected Nigeria.

Admittedly, Nnoli (2003) stated that apart from the social costs, the Nigerian domestic debt crisis has lead to escalating inflationary pressures in the face of failing real incomes, budgetary deficits and the deterioration of social services and infrastructure. Nigerian external debt at any given point in time includes amounts owed to multilateral club, London club, Paris club, Promissory Notes etc and the associated interest charges. According to Odunayo (2013) both the Paris club and London club of creditors are among the major sources of Nigeria's external debt. The Paris club represents the official government creditors that include United States of America, the United Kingdom, Germany, France and Canada. The London club of creditors, on the other hand, represents the commercial banks spread all over the world. Multilateral Creditors include worldbank, international monetary fund (IMF), African Development Bank (ADP), and the European Investment Bank (EIB).Promissory notes holders (creditors in respect of refinanced debts; and other bilateral creditors (Odunayo, 2013).

Nigerian's external debt profile was managed by the Central Bank of Nigeria in conjunction with the Federal Ministry of Finance. Later and in a bid to better manage the external debt, the Debt Management Office (DMO) was created to specifically handle debt management matters, a decision which is viewed by critics as a conscious effort by government to make debt a constant factor in Nigerian economy.

Statement of Problem.

A preliminary review of Nigeria's fiscal and economic indices for two or more decades revealed some disturbing trends such as rising external debt profile, irrespective of the US$18 billion 2005 Paris club debt write off; increasing and alarming inflation and unemployment rates; low GDP growth rate and poor debt-GDP ratio etc, suggestive of some macro economic imbalances that beg the question of the implication of increasing debt profile on the economy. Macro economic variables as well as their imperatives or implications are better appreciated in the long run and decisions that should shape an economy are better drawn from long run analysis as against short run studies.

Prior empirical studies have been carried out on the effect of external debt on Nigerian economy such as Ayadi and Ayadi (2008); Adesola (2009); Ogege and Ekpudu (2010); Ezeabasili, Isu and Mojekwu (2011); Bakare (2011); Ogunmuyiwa (2011); Sulaiman and Azeez (2012), Nwannebuike, Ike and Onuka (2016), taking the nagging issue from short term perspectives thereby demanding a study that can give a wider scope with data covering the pre and post Paris club debt relief era thereby providing further analysis and insight into the effect of debt relief on the economy.

Objective of the Study.

The broad objective of the study is to examine the effect of external debt on the Nigerian economy. Specifically, the objectives are

1. To ascertain the effect external debt stock on economic growth in Nigeria.
2. To determine the impact of external debt service on economic growth in Nigeria.
3. To explore the joint effect of external debt stock and external debt service on the economic growth in Nigeria.

4. To examine the effect of external debt on export in Nigeria.

Statement of Hypotheses.

Ho_1: External debt stock has no significant effect on economic growth in Nigeria.
Ho_2: External debt service has no significant effect on economic growth in Nigeria.
Ho_3: External debt stock and external debt service have no significant effect on economic growth in Nigeria.
Ho4: External debt has no significant effect on Nigerian export.

Conceptual Framework

Concept of External Debt

The art of borrowing results to the existence of debt. Debt is a liability which is defined as a present obligation of an enterprise arising from past events, the settlement of which is expected to result in an outflow from the enterprise's resources embodying economic benefits.

Debt is an obligation that is enforceable by legal action for the debtor to make payment of money to the creditor (Amadi, Harry and Momodu, 2004). According to Oyejide (1995), debt is the resource or money in use in an organization which is not contributed by its owner and does not in any other way belong to them. External debt is the proportion of debt drawn from institutions outside the debtor entity. The emphasis of the study is on national external debt which is the proportion of a nation's debt drawn from non-resident institutions. Arnone, Bandiera and Presbitero (2005) define external debt as that portion of a country's debt that is acquired from foreign sources such as foreign corporations, government or financial institutions. In the views of Ogbeifin (2007), external debt arises as a result of the gap between domestic savings and investment. As the gap widens, debt accumulates and this makes the country to continually borrow increasing amounts in order to stay afloat. He further defined Nigeria's external debt as the debt owed by the public and private sectors of the Nigerian economy to non-residents and citizens that is payable in foreign currency, goods and services.

The concept of external debt when viewed from its conceptual and generic meanings is broad and entails liability which one person legally owes the other person that is enforceable or an obligation that is enforceable by legal action to make payment in monetary terms. Specifically and in the context of this study, external debt entails liability of a country to others outside of the debtor-country. It is hypothesized that countries, especially developing countries incur external debt or resort to foreign borrowing to accelerate the pace of economic growth and to supplement domestic savings, which is generally low, for investment purposes. To the extent this is applicable remains a research question yearning for answer.

The rational for borrowing agrees with dual gap analysis which postulates that investment is a function of savings, and that in developing countries, the level of domestic savings is inadequate to fund the requisite investment needed to support economic development.

External borrowing decision should be anchored on a critical analysis after necessary reviews would have been conducted on the costs and benefits of such decision. External debt comes with some costs while the invested funds come with some benefit and the two ends should favorably trade-off for a rational decision on external debt to be taken. A favorable trade-off should be such that the benefit denominated in the returns on investment of the debt fund should be greater that the cost of servicing the debt. A conventional wisdom on when to borrow is to do that so far as the funds required generate a rate of return that is higher than the cost of borrowing the funds (Ajayi and Khan, 2000). Debt service capacity is a function of return on investment (where such debt was committed to investment purposes), the cost of borrowing, and the rate of savings. Ubok-Udom (1978) enumerates the costs of external borrowing to include debt service burden which incorporates costs implied by the terms structure of external loans, cost of resultant liquidity crises, costs of the viciously cumulative debt, the manageability of the debt, cost of debt rescheduling, and cost of import substitution among others.

Ajayi and Khan(2000), asserted that sustainable foreign borrowing is measured through several ratios, such as debt to export, debt service to export, debt to GDP(or GNP), and external debt to Gross National Income among others.

Theoretically and all things being equal, economic sense justifies countries incurring external debt for the development of their economies and to bridge budget gaps. This must be tested critically before taken such long run decisions. In practice, however, the economic senses may be jettisoned in the management of the external debt funds with short run considerations made superior in making such long run decision. It must be borne in mind that when long run decisions are predicated on short run considerations, a future calamity or debt crisis is bound to occur. This is the bane of African countries and their external debt crises. Aiyedogbon and Ohwojaso (2012) and Nwagwu (2014) visualizing the woos of Nigeria in external debt crises concurred that despite the huge amount of debts which the country has continued to incur over the years, with the aim of achieving economic growth and development, high unemployment, poverty, and low standard of living are still prevalent in the country.

Debt could be classified as productive or dead debt and this classification applies in external debt. Reproductive debt is that obtained to buy some sort of assets such as for acquiring factories, electricity, refineries etc. On the other hand, dead debt is that obtained to prosecute war, terrorism, or to be expended on current expenditures that have no capacity to regenerate returns. The extent to which a debt is productive or dead lies not at the decision level or pre-debt stage rather at the post-debt stage when the fund would have been utilized for a given purpose.

Rational for External Debt/Debt Burden and Sustainability

Views have differed and opinions varied on what is supposed to be the rational for a country to incur external debt but central is the conclusion that external debt is contracted on a cogent basis anchored on economic reasons and for the enhancement of the social well-being of the citizenry. The extent to which leaders of countries comply with the rationality for contracting external debt remains a critical research area and does not form part of this study. Generally the need for public borrowing arises from the recognition of the role of capital in the developmental process of any

nation as capital accumulation improves productivity which in turn enhances economic growth. Soludo (2003) opined that countries borrow for two broad categories; macro economic reasons to either finance higher investment or higher consumption and to circumvent harder budget constrain. However he warns that when debt reach a certain level, it begins to have adverse effect, debt servicing becomes a huge burden and countries find themselves on the wrong side of the debt-laffer curve, with debt crowding out investment and growth. According to Sulaiman and Azzez (2012) an economy borrows to boost economic growth and alleviate poverty but Ajayi and Oke (2012) warned that debt-financed investment need to be productive and well manage enough to earn a rate of return higher than the cost of debt servicing.

Developing countries including Nigeria have three fundamental peculiarities that lend weight to external borrowing. Firstly, just as they are described as developing nations have enormous capital intensive developmental needs that demand enormous funds to execute. Secondly, they have comparatively lower export capabilities as much of the exportable products are crude that are under-priced in international markets resulting to adverse balance of payment positions. Thirdly, the developing economies, as a result of their low developmental status, have high demand for imports from developed economies with high product prices in international market. This trend complicates the financial positions of the economies thereby straining the balance of payment positions of the said economies. These three factors can be further summarized into two gap situations: Saving-Investment gap and Foreign Exchange gap. These gaps must be filled and attempts to do that make external debt inevitable. It is therefore reasonable to expect that for many developing countries like Nigeria the constant balance of payment deficit constrains capital inflow that engender growth and development thereby making external borrowing an inevitable option for external funds and access to the resources needed to achieve rapid economic growth.

The dual-gap analysis justifies the need for external borrowing as an attempt to bridge the savings-investment gap in a nation. There appears to be a consensus by studies that countries especially the less developed ones borrow to raise capital formation and investment which has been previously hampered by low level of domestic savings. Chenery and Strout (1966) confirmed that the main reason why countries borrow is to supplement the lack of savings and investment in their countries. For development to take place it requires a level of investment which is a function of domestic savings and the level of domestic savings is not sufficient enough to ensure that development take place (Oloyede, 2002).

It is one thing to contract an external loan yet another that such funds are effectively utilized given that domestic savings are insufficient to meet developmental demands for developing countries like Nigeria necessitating external debt. It is also rational to expect that the funds acquired should be judiciously utilized for the purposes for which the loans are contracted. Investment in developmental projects especially manufacturing and production sectors should have impact on production of goods and services capable of satisfying domestic demands and leaving surplus for export to other countries. All things being equal, such productive investment will generate greater exports as well as meet domestic demand for goods and services.

However, external debt comes with its burden and impact. The burden is associated with the first hand stress, difficulties and strains that come with debt accumulation which include the conditions surrounding such facility as well as its service cost, which in most cases are complicated by the difficulties in generating necessary resources to liquidate the debt or to service it, the measurement of which is on the amount of current resources committed in servicing and liquidating the debt. Umaru, Hamidu and Musa (2013) gave an insight into this burden stating that Nigeria in her desperate quest for money to finance economic growth accepted foreign loans under stringent conditions and that these conditions such as devaluation, amongst others, hardly improved Nigeria's ability to pay the loan and resulted to what could be termed as external debt crisis. . According to Ogunlana (2005) the burden is measured in terms of the proportion of current resources (income) devoted to financing past consumption. The impact includes the trickling effect of the debt burden down to the micro levels of the economy. The burden is therefore directly proportional to the amount of resources committed in servicing the debt.

In considering debt capacity, Salop and Spitaller (1980) as cited in Faraji and Makame (2013) identified two key issues on debt capacity: optimal debt level and debt sustainability. Whereas the former deals with appropriate debt level that obviates debt service difficulties, the latter relates to the sustainability of the debt situations and policies. Debt optimality concerns analysis of the marginal cost and benefits of borrowing which equates at optimal debt level. At optimal debt level, marginal cost of debt (MCD) equals Marginal benefit of debt (MBD). However, this model does not offer a simple formula that would make it possible to ascertain in more operational detail the debt capacity stance of individual country.

On the other hand, the non-optimizing model examines the sustainability of particular debt situations and policies in the light of the expected growth path of the economy (Faraji and Makame, 2013). In this case, the emphasis has largely been on foreign borrowing for investment purposes in order to fill the gap between domestic savings and investment (Solomon, 1977). The model concentrates on investment gap without adequate consideration on whether the investment has the capacity to generate foreign exchange to service debt at maturity.

According to Hernandez (1974) as cited in Faraji and Makame (2013), the World bank in 1985 posited that the borrowing country's external solvency condition was addressed in the debt-dynamic model which gives consideration to the value of exports that presents a more accurate impression of income in foreign currency that can be used to service debt. In the views of Abrego and Ross (2001) a number of factors come into play to establish if a country will be able to service its debt. These factors include the existing debt stock and associated debt service, the prospective path of its deficits, the financing mix of the debt and the evolution of its repayment capacity in terms of foreign currency value of GDP, exports and government revenues. In measuring debt burden, literature expounds good number of indicators (Faraji and Makame, 2013). Ogunlana (2005) as cited in Faraji and Makame, (2013) mentioned several indicators which have been used over the years to measure debt burden and its sustainability .The indicators are usually reported in percentages (ratios) as follows: Debt Stock/Export, Debt Service/GDP, Debt Service/Export, Debt Stock/GDP, Reserves/Import and Reserves/Debt Stock.

Another important dimension to measuring the burden or sustainability of external debt is the use of the net present value (NPV) of such debt in terms of the discounted value of future debt service payments and particularly relevant when the debt maturity period is long (Faraji and Makame, 2013).

Nigerian External Debt: Historical Review.

According to Omoteye, Sharma, Ngussam, and Ezeonu (2006) as cited in Sulaiman and Azeez (2012), Nigeria is the largest debtor nation in the sub-Saharan Africa. The study went further to observe, in a comparative study with Argentina (Latin America's most severely indebted nation), that Nigeria's external debt, as a percentage of gross national income, has been continuously higher than that of Argentina since 1985 and continued to follow an upward pattern, unlike that of Argentina. Anyanwu, Oaikhenan, Dimowo and Oyefui (1997) as cited in Ajayi and Oke (2012) while admitting Nigeria's high external debt phenomenon attributed the predicament to the whole scale of white elephant development project in the country. He stated that instead of emphasis being placed on small rural development project so as to reverse the chaotic trend of urbanization and lessen the opportunity for corruption. Aluko and Arowolo (2010) slightly differed that the major cause of the debt crisis situation in Nigeria is the fact that these foreign loans are not being used for developmental purposes that instead of being ventured into capital projects that will better the economy, they are shrouded in secrecy. Nweke (1990) as cited in Ajayi and Oke (2012) took a neo-colonialist perspective of Nigerian debt phenomenon and opined that a correct analysis of external debt in third world countries such as Nigeria must be replaced in the content of the country's forceful integration into the western structural and dominated world capitalist economy as a peripheral appendage that provide natural resources and cheap labour for the industrialization process in the west including lucrative markets for surplus of the advanced country's manufacturers and the developing countries get a very high cost of the manufactured product of the west.

External debt phenomenon in Nigeria dates back to colonial /pre-independence period when in 1958 a loan of US$28 million dollars was contracted from the World Bank guaranteed by United Kingdom government for railway construction/extension to Borno. This debt did not pose a serious challenge because it was acquired on soft terms, that is, with no interest or below market rate of interest. Ayadi and Ayadi (2008), opined that in the first decade of political independence, the magnitude of external loans was minute, the rate of interest concessionary, the maturity was long term and the source was usually bilateral or multilateral. Preparatory for future external loans, a Government Promissory Notes Ordinance was promulgated in 1960 for the purpose of raising authorized loans. In furtherance to that the External Loans Act of 1962 was enacted sanctioning the contracting of external loans for development programmes and transfers to regional governments. Following the Nigerian civil war, the Federal Government promulgated the External Loan Rehabilitation, Reconstruction and Development Decree which authorized a Federal Commission to raise loans outside Nigeria up to N1billion to facilitate rehabilitation, reconstruction and development programmes in war ravaged areas and to be extended as loans to state governments (Falegan, 1978). In the opinion of this study, it was rather ironical that external funds attracted for rehabilitation, reconstruction and development of war ravaged areas were used

in areas that were not ravaged by the war, as the West and North benefited from it instead of the war-ravaged Eastern part of the country.

For the obvious reasons of abundant natural and agricultural resources in the country, there would have been no need for external debt even as the financial position of Nigeria was boosted by the oil boom in the 1970s. Instead, this endowment turned woe to the economy. Historically, crude oil was first discovered in commercial quantity in 1956 in Oloibiri in the Niger Delta after successful exploitations in places like Iho Ikeduru and part of Mbaise province about 1930. Oil became the main stay of the economy and highest earner of foreign exchange earnings leading to a gradual drift from agriculture which had been the dominant provider of export earnings, employment etc. Between 1973 -1976, Nigeria experienced oil boom which, increased her oil revenue. According to Odunayo (2013) by 1974, Nigeria was buoyant enough to be a creditor to the money spinning International Monetary fund (IMF). From 1978, oil prices nose-dived unexpectedly and this mounted huge financial pressure on government coupled with vast consumption expenditure profile the oil boom had exposed the country thereby paving way for external aid. Following the fall in oil prices, it was necessary for the government to correct balance of payment difficulties and finance projects. This led to the first major borrowing of US$1 billion, popularly referred to as the JUMBO LOAN in 1978 from the international capital market (ICM) and thereafter, according to Kanu, Anyanwu and Osuji (2014), external loans increased rapidly but loans from bilateral and multilateral sources declined shifting the borrowing to private sources at stiffer rates. The spate of borrowing increased thereafter with the entry of the state government into external loan contracting obligation (Ibi and Aganyi 2014).

The utilization of the Jumbo loan in various medium and long term infrastructural projects was not a huge success as the returns obtained from these projects were not enough to amortize the nation's debts warranting the inclusion of many of the projects in the Fourth National Development Plans (1981-1985). As at 1982, the external debt of the country was $13.1billion.

As a consequent of Nigerian soaring external debt, the country had by 1986, adopted a World Bank/International Monetary Fund(IMF) sponsored Structural Adjustment Programme (SAP), with a view to revamping the economy making the country better-able to service her debt (Ayadi and Ayadi, 2008; Sulaiman and Azeez, 2012) as cited in Ibi and Aganyi (2014). SAP was the acceptable alternative programme to the public debated and rejected IMF short term relief package for distressed countries.

At a reconciliation of Nigerian external debt with London and Paris club between 1983 and 1988, the total amount indebted to the two bodies alone stood at $4.8 billion as at 1989 after both clubs had reduced the amount by $3.8 billion.
By 1990, the external debt stock declined to $27.5 billion and later increased to $32.6 billion as at December 1995 and by 1999 dropped to $28 billion with Paris club sharing 73.2% of the debt stock.
At the eve of the debt relief struggle by Dr Okonjo Iwuala in 2005, Nigerian's external debt stock stood at $34 billion with Paris club sharing 85% translating to $28 billion of the debt stock while 8% was credited to multilateral institutions such as African Development Bank and the World

bank and 7% to London Club. However, Okonjo Iwuala was able to put up very strong argument which earned Nigeria $18 billion debt relief that happened to be Africa's largest debt relief ever granted (Ijeoma, 2013).

The above effort by the former minister of Finance did not end Nigeria external debt and neither did it put a paid to increase in Nigerian external debt. The external debt stock has continued to grow from N523.3 billion in 2008 to N590.4billion, N683.02 billion, N887.93billion and N1, 016.72 billion in 2009, 2010, 2011 and 2012 respectively.

In 2013, 2014 and 2015 the external debt stock increased to N1,373.57 billion, N1,631.52 billion and 2,106.17 billion respectively. It is worrisome whether the country had learnt any lesson from the economic woos and burdens associated with huge external debt.

External Debt Management in Nigeria

External debt in Nigeria has remained phenomenal and in the years of Nigerian experience in external debt a number of debt management strategies have been adopted at one point or the other in the entire struggle. Some of the strategies are discussed below. These strategies are among the debt conversion programmes managed by the Central Bank of Nigeria. In 1998, Nigeria saw the very need to strategically manage her external debt exposure and a debt conversion department was established in the Central Bank of Nigeria to undertake this responsibility until 2000 when the Debt Management Office (DMO) was established and saddled with the entire debt management duties. According to Ijeoma (2013), the creation of Debt Management Office (DMO) consolidated the debt management functions in a single agency, ensuring proper coordination of the country's debt recording and management activities including debt service forecast, debt service repayments, and advising on debt negotiation as well as new borrowings. Debt conversion involves the exchange of Nigeria's external foreign currency denominated debts for local currency which is then used in the purchase of equity capital in a local enterprise, that is, exchange of external debt for domestic debt or equity.

Ban on External Debt: Nigeria government at one point or the other placed a ban on external debt. For example, in 1980, the Federal Government placed embargo on new loans and issued directives to State government to restrict external borrowing to the barest minimum (Ijeoma, 2013).

Though this strategy has never worked in Nigeria, the study observed that many factors made this strategy very difficult. These factors include but not limited to inconsistency in government policy, instability in leadership, corruption, lack of well articulated macro-economic policy framework, poor debt strategy framework and also the huge infrastructural and developmental requirements of the Nigerian economy which domestic savings have not been able to address.

Debt for Equity: Odunayo (2013) explained that this is the conversion of debt at face value and at the prevailing exchange rate for the currency of the debtor country. Proceeds are designated as registered capital investment of the creditors in the debtor country. This conversion programme is aimed at tying external debt to the production capacity of a new enterprise or exiting enterprise in the debtor's country. It follows therefore that the return on investment from the investment in

the domestic enterprise serves to replace the interest charge that would have accrued to the creditor country. This scheme raises more implications on the managerial capacity of the said enterprise and the investment-friendly posture of the debtor country as these factors make or mar the relevance of this initiative and its ability to achieve the desired objective. Where the managerial capabilities of the said enterprise are poor, the entire investment crumbles and the whole essence of the initiative comes to nullity. On the other hand, where the investment environment of the debtor country is unfriendly, investment to which the initiative had been done is also jeopardized.

Debt for Export: This is the exchange of exports for debt obligation.

Debt –Debt Swap: This is the exchange of one debt obligation for another. This involves a three-party agreement and of the two creditors and the debtor country and in most cases the terms of payment are not altered.

Debt Refinancing: This involves getting a fresh external debt to liquidate the existing obligation. This arrangement may still be consummated with the same creditor. According to Odunayo (2013), in 1984, Nigerian government decided to refinance the remaining trade arrears especially those contracted through open accounts and bills for collection by issuing promissory notes to cover them.

Debt Repudiation: This strategy is a process thing that culminates in debt cancellation. This strategy involves at first refutation of external debt followed by rationalization of the refutation and finally plea bargain that the debt be written off. Repudiation is done on doubtful external debt. Odunayo (2013) opined that the Federal Government would not repudiate any genuine debt except those of doubtful credibility that would not be reconciled by Chase Manhattan Bank of New York. In 2005, Nigeria's Finance Minister, Dr Ngozi Okonjo Iwuala by her dexterity concluded agreement with Paris Club to write off about $18 billion of the $32 billion external debt owed to Paris Club having undertaken to clear the arrears of about $6 billion with the respective creditors and about $6 billion through debt buy back.

Other external debt conversion strategies are **debt for cash**, **debt-Peso-Swap**, **Debt Buy Back** etc.

METHODOLOGY

Research Design

Ex-post facto research design was adopted to examine the effect of external debt on Nigerian economy.

Model Specification

The generic model for the study is:
GDP=f(Ext+exts+ Expt)
Representing the above in matrix form,
$Y = \beta X_1$, and in Econometric format:

$GDP=\beta 0+\beta_1 Ext+ Exts\beta_2+\beta_3(Expt)+ \mu$

Method of Data Analysis.
Multiple regression (Ordinary Least Square Regression) was applied to analyze the model specified for this study. The data is first subjected to Augumented Dickey Fuller (ADF) Unit Root and Johasen Co-Integration tests to ascertain the validity of the time series data for stationarity and covariance. This is necessary because carrying out regressions on non stationery time series data would lead to spurious regression outcomes. Secondly, the hypotheses were tested using the Ordinary Least Square multiple regression analysis and Vector Auto Regression (VAR) to give room for varied and comparative analysis.

Data Presentation and Analysis
The data generated for the study consist of four variables, one independent variable and three dependent variables as defined in the research model.

Data Analysis and Interpretation

Diagnostic Test
Test for Stationery using Augumented Dickey-Fuller (ADF) Unit Root.
It is also very important that data needed for co-integration analysis be stationary at first level.
Where the result from the stationary test proves that the time series data are stationary, it could be relied upon as valid for the further analysis.
The output table 1 is the summary of the result from the Augumented Dickey Fuller Unit Root test:

Table 1: Summary of Augumented Dickey Fuller Unit Root Test
Export

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-5.324558	0.00048
Test critical values:	1% level	-3.747241	
	5% level	-3.230332	
	10% level	-2.596512	

External Debt

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-2.694350	0.0389
Test critical values:	1% level	-3.842323	
	5% level	-2.497232	
	10% level	-2.625193	

External Debt Service

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-4.212673	0.00620
Test critical values:	1% level	-3.747241	
	5% level	-3.230332	
	10% level	-2.596512	

GDP

		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-3.574015	0.0154
Test critical values:	1% level	-3.747241	
	5% level	-3.230332	
	10% level	-2.596512	

Source: Computed wit E-view statistical package. 7.1 version

Interpretation

Table 1 above shows test results of value of Export (t-statistic of -5.324558, probability of 0.00048); External debt (t-statistic of -2.694350, probability of 0.0389); External debt service (t-statistic of -4.212673, probability of 0.00620) and GDP (t-statistic of -3.574015, probability of 0.0154) and implies that all the variables are stationery at first differencing and therefore valid for our further analysis and reliable for decision making.

Diagnostic Test

Test for Long Term Variable Relationship Using Johansen Co-integration

The study used two likelihood ratio tests of trace and maximum eigen value to test the hypothesis regarding the number of integrating vectors. The tests result for the co-integration analysis among the variables of external debt stock, external debt service, value of export and GDP is shown below:

Table 2: Summary of Test Result for Johansen Co-integrations.

Trace test					Max Eigen value test				
Hypothesized No. Of CEs	Eigen value	Trace Stats	0.05 Critical value	Prob**	Hypothesized No. of CEs	Eigen value	Max-Eigen Stats	0.05 Critical	Prob**
None*	0.827216	57.05799	47.73289	0.0040	None*	0.827216	30.43654	27.28448	0.0191
At most 1	0.562089	27.14321	29.99437	0.0908	At most 1	0.562089	15.24066	21.24166	0.2757
At most 2	0.393274	11.32643	15.68363	0.1721`	At most 2	0.393274	8.936984	14.46262	0.3084
At most 3	0.152778	3.003168	3.841466	0.0814	At most 3	0.152778	3.003168	3.841688	0.0844
Trace test indicates 1 co-integrating equation(s) at the 0.05 level *denotes rejection of the hypothesis at the 0.05 level					Max-eigenvalue test indicates 1 co-integrating equation(s) at the 0.05 level * denotes rejection of the hypothesis at the 0.05 level				

Source: Computed with E-view statistical package. 7.1 version.

Interpretation

Table 2 as shown above is a summary of Johansen Co-integration two likelihood ratio tests of Trace and Maximum eigen value which is conducted to examine whether there is any long-run relationship between the dependent and independent variables. Given Trace statistics value of 57.05799 with probability of 0.0040 and Max-Eigen statistics of 30.43654 with probability of 0.0191, the results indicate one co-integrating equation at 5% significance level.

Diagnostic Test

Test for Variable Relationship Using Ordinary Least Square

Table 3: Summary of Test Result of Model Analysis Using Ordinary Least Square Multiple Regression (OLS).

Variable	Coefficient	Std. Error	t-Statistic	Prob.
EXPORT	4.846196	0.139547	33.07612	0.0000
EXTERNAL_DEBT	-0.332447	0.550026	-0.621421	0.5322
EXTERNAL_DEBT_SERVICE	-6.013418	2.655221	-2.25322	0.0368
C	4840.356	1593.981	3.014921	0.0080

Interpretation

The ordinary least square (OLS) estimation was carried out to examine the long run relationship between the independent variables (external debt, external debt service and value of export) and the dependent variable, the Gross Domestic Product. From Table 3 above, the following results were obtained:

1. value of export t-statistics 33.07612 and probability 0.000, implying significant positive relationship between value of export and Gross Domestic Product,
2. external debt, t-statistics -0.621421 and probability 0.5322, implying insignificant negative relationship between external debt and Gross Domestic Product,
3. external debt service, t-statistics -2.25322 and probability 0.0368, implying significant negative relationship between external debt service and Gross Domestic Product.

Diagnostic Test

Test for the Coefficient of Determination Using Adjusted R-Squared Test

In the short run drawing from the output table shown in Table 4 below, OLS model indicated an Adjusted R-Square of 98.76% which implies that the independent variables in the study: external debt, external debt service and value of export accounted for 98.76% variation in the dependent variable: Gross Domestic Product. The remaining 1.24% is accounted for by the error term.

In the long run as shown in Table 5 below, VAR model posted an Adjusted R-square of 98.29%, implying that the independent variables: external debt, external debt service and value of export explained for 98.29% of the changes in the dependent variable: Gross Domestic Product while 1.71% is accounted for by error term. The implication of these is that the explanatory variables (independent variables): external debt, external debt service and value of export have significant effect on the dependent variable, the Gross Domestic Product.

Table 4: Summary of Jarque-Bera statistic and Probability

Test Statistics	OLS	VEC
R-Square	0.987324	0.206877
Adjusted R-Square	0.987627	-0.121178
S.E of Regression	3328.483	4632.408
Sum of Squared Residual	1.78E+08	2.45E+08
Log Likelihood	-198.1309	-174.5420
Durbin Watson Statistics	2.543672	1.884730
Mean Dependence Variance	31682.62	4367.782
SD Dependence Variance	26550.32	4371.043
Akaike Infor. Criterion	19.32764	19.91445
Schwarz Criterion	19.35447	20.22483
F-Statistics	396.3250	0.630829
Prob-(F-Statistics)	0.000000	0.681932
Hannan-Quinn criter	19.34713	19.98665

Source: Computed with E-view statistical package Version 7.1.

Table 5: Summary of Test Result for Vector Auto Regression (VAR).

Test Statistics	VAR
R-Squared	0.985821
Adjusted R-Square	0.982906
S.E of Regression	4532.211
Sum of Squared Residual	1.77E+8
Log Likelihood	-172.5619
Durbin Watson Statistics	1.570302
Mean Dependence Variance	35411.28
SD Dependence Variance	25764.33
Akaike Infor. Criterion	19.64327
Schwarz Criterion	20.36796
F-Statistics	72.57853
Prob-(F-Statistics)	0.000000
Hannan-Quinn criter	20.01445

Diagnostic Test

Test of Long run Causal Relationship between Variables

Table 6: Causality Test among the Variables Using Vector Error Correction Estimates.

	Coefficient	Std. Error	t-Statistic	Prob.
C(1)	-0.492111	0.726874	-0.645272	0.5012
C(2)	0.884006	0.668474	1.331785	0.2013
C(3)	-3.105324	2.242124	-1.353665	0.2106
C(4)	-0.083080	1.299468	-0.050392	0.8937
C(5)	3.002413	4.375752	0.723247	0.4217
C(6)	3106.376	1693.329	1.821178	0.0890

R-squared	0.206877	Mean dependent var	4367.782
Adjusted R-squared	-0.121178	S.D. dependent var	4371.043
S.E. of regression	4632.408	Akaike info criterion	19.91445
Sum squared resid	2.45E+08	Schwarz criterion	20.22483
Log likelihood	-174.5420	Hannan-Quinn criter.	19.98665
F-statistic	0.6308829	Durbin-Watson stat	1.884730
Prob(F-statistic)	0.681932		

Interpretation

From Table 6 above, causality runs from the predictor variables to Gross Domestic Product. However, the joint causality of predictors to Gross Domestic Product is not significant at the 5% level of significance.

Test of Hypotheses

Ho_1: There is no significant long run relationship between economic growth and external debt in Nigeria

Johansen co- integration two likelihood ratio tests of Trace and Maximum eigen value was conducted to examine whether there is any long-run relationship between the dependent and independent variables. Given Trace statistics value of 57.05799 with probability of 0.0040 and Max-Eigen statistics of 30.43654 with probability of 0.0191, the results indicate one co-integrating equation at 5% significance level.

Decision

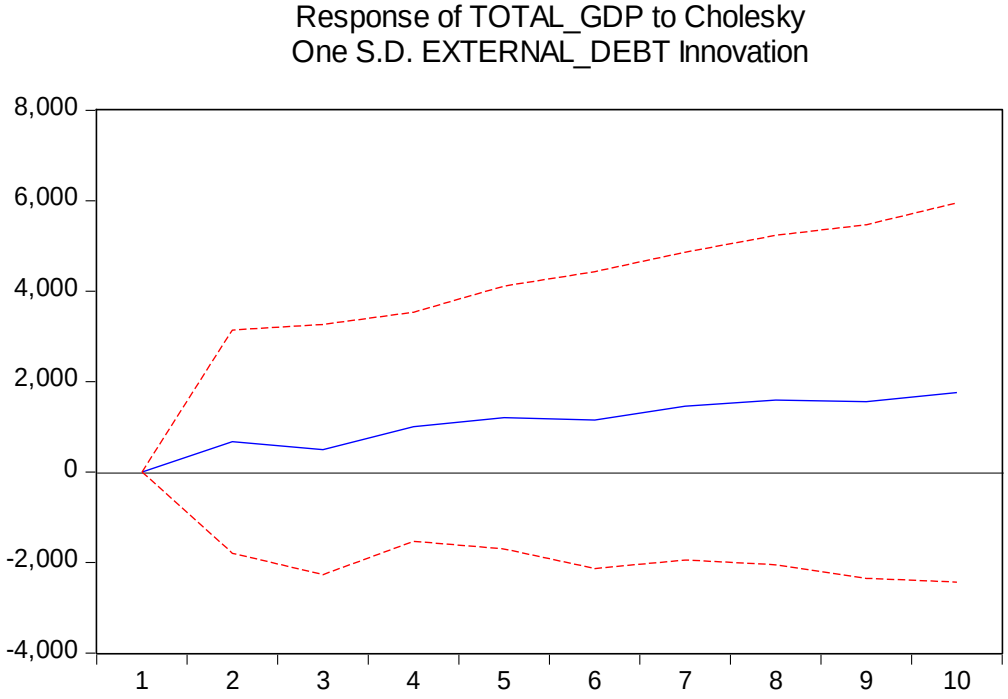
With the Johansen Co-integrating test result indicating one co-integrating equation at 5% significance level, the existence of one long- run dynamic combination of the dependent and

independent variables is confirmed and therefore the null hypothesis is rejected implying that there is a long run relationship between the independent and dependent variables.

The rejection of the null hypothesis is further buttressed by the ordinary least square (OLS) estimated results on Table 4 represented by t-statistic of - 0.621421 and p-value of 0.5322; indicating that external debt has a negative relationship with Gross Domestic Product and is marginally insignificant at 5% level of significance

The Impulse Response Analysis graph of the Vector Auto Regression Model as shown in Figure 1 below confirms the same conclusion.

Figure 1: Impulse Response of Gross Domestic Product to Innovations in External Debt



Therefore, we reject the null hypothesis and accept the alternative that there is a significant long run relationship between economic growth and external debt in Nigeria.

H_{O2}: **There is no significant long run relationship between external debt service and economic growth in Nigeria.**

As stated in test of Hypothesis 1, Johansen co- integration two likelihood ratio tests of Trace and Maximum eigen value was conducted to examine whether there is any long-run relationship between the dependent and independent variables. Given Trace statistics value of 57.05799 with probability of 0.0040 and Max-Eigen statistics of 30.43654 with probability of 0.0191, the results indicate one co-integrating equation at 5% significance level.

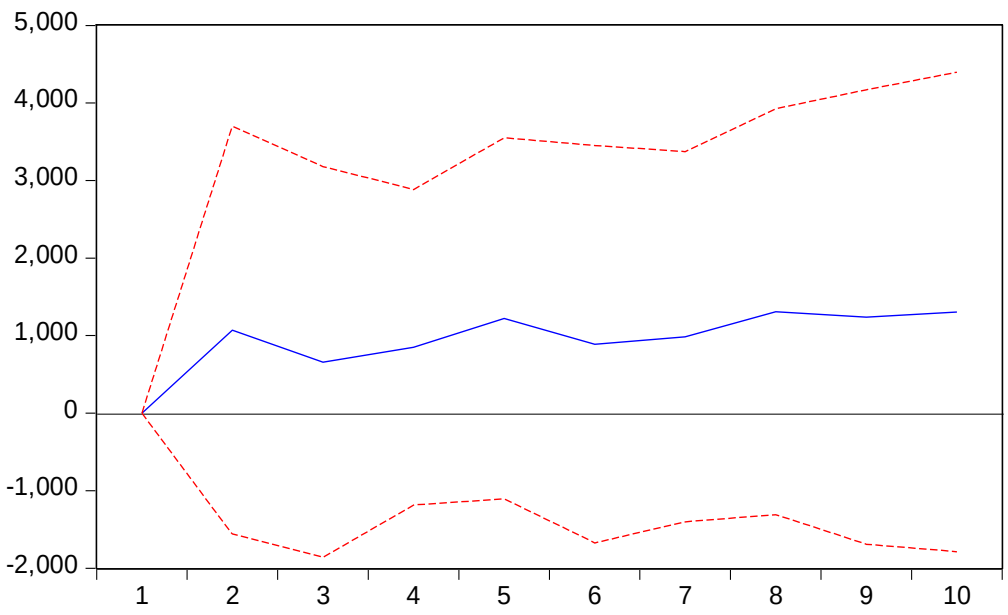
Decision

With the Johansen Co-integrating test result indicating one co-integrating equation at 5% significance level, the existence of one long- run dynamic combination of the dependent and independent variables is confirmed and thus the null hypothesis is rejected implying that there is a long run relationship between external debt service and economic growth.

Further, estimated results of the ordinary least square(OLS) as shown on Table 3 represented by t-statistic of - 2.25322 and p-value of 0.0368, external debt service has an inverse relationship with Gross Domestic Product and is significant at 5% level of significance This confirms the rejection of the null hypothesis.

The Impulse Response Analysis graph of the Vector Auto Regression Model which is shown in Figure 2 below confirms the same conclusion.

Figure 2: Impulse Response of Gross Domestic Product to Innovations in External Debt Service



Therefore, we reject the null hypothesis and accept the alternative that there is a significant long run relationship between economic growth and external debt service in Nigeria.

Ho_3: There is no significant long run relationship between value of export and economic growth in Nigeria.

As stated in test of Hypothesis 1 above, Johansen co- integration two likelihood ratio tests of Trace and Maximum eigen value was conducted to examine whether there is any long-run relationship between the dependent and independent variables. Given Trace statistics value of 57.05799 with

probability of 0.0040 and Max-Eigen statistics of 30.43654 with probability of 0.0191, the results indicate one co-integrating equation at 5% significance level.

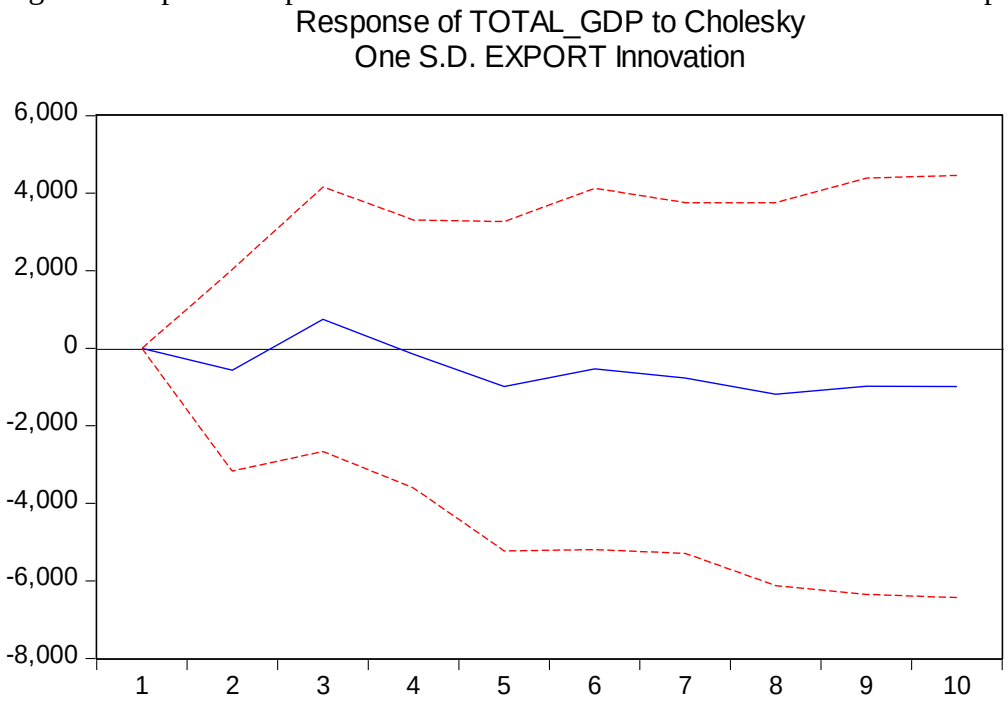
Decision

With the Johansen Co-integrating test result indicating one co-integrating equation at 5% significance level, the existence of one long- run dynamic combination of the dependent and independent variables is confirmed and thus the null hypothesis is rejected implying that there is a long run relationship between value of export and economic growth.

Estimated results of the ordinary least square as shown on Table 3 represented by t-statistic of 33.07612 and p-value of 0.0000 show that the value export has a positive relationship with Gross Domestic Product and is significant at 5% level of significance confirming the rejection of the null hypothesis given.

The Impulse Response Analysis graph of the Vector Auto Regression Model which is shown in Figure 3 below confirms the same conclusion.

Figure 3: Impulse Response of Gross Domestic Product to Innovations in Export



Therefore, we reject the null hypothesis and accept the alternative that there is a significant long run relationship between economic growth and value of export in Nigeria

In respect of the above three hypotheses already tested and confirmed for long run relationship between independent variables (external debt, external debt service and value of export) and

dependent variable (economic growth), the Vector Auto Regression result though with varied specific response/relationship still confirmed on a general perspective that some form of relationship exist between the dependent variable and the independent variables.

H_{O4}: There is no significant long run casual relationship between economic growth, external debt, external debt service and value of export in Nigeria.

Table 6 shows the coefficients and T-statistics of the variables with the applicable probabilities indicating that causality runs from the predictor variables to Gross Domestic Product. However, for the joint causality of predictors to Gross Domestic Product, the test indicates F-statistics of 0.6308829 and probability of 0.681932 suggesting that causality is not significant at the 5% level of significance.

On the basis of individual causality of the predictor variables to the dependent variable, the null hypothesis is rejected. Therefore, there is causality relationship between external debt service and value of export with Nigerian economic growth and the causality runs from the predictor variables.

DISCUSSION OF FINDINGS

In respect of the first three hypotheses regarding the extent of long run relationship between the predictor variables and Nigerian economic growth, Johansen Co-integration, Ordinary Least Square (OLS) and Vector Error Correction (VEC) all confirmed that the predictor variables individually have long run relationship with the country's Gross Domestic Product which serves as proxy for economic growth.

Whereas external debt has a insignificant negative long run relationship with Gross Domestic Product, external debt service has a significant negative long run relationship with Gross Domestic Product while value of exports has a positive long run relationship with Gross Domestic Product. The findings in 1 and 2 above confirm the outcome of the studies by Obademi (2012), Erhieyovwe and Onovwoakpoma (2013).

In respect of hypothesis 4 which sought to determine the causality relationship between the independent variables (external debt, external debt service and value of export) and the dependent variable (Gross Domestic Product), the result of the Vector Error Correction (VEC) test confirmed the existence of individual causality which runs from the predictor variables to the dependent variable. However, the result confirmed that there is no significant joint causality of the predictor variables to the Gross Domestic Product at the 5% level of significance.

CONCLUSION

The result of the analysis conducted confirms that:

External debt has a negative long run relationship with economic growth in Nigeria. The ordinary least square analysis (OLS) specifically confirmed the existence of a marginally insignificant negative long run relationship between external debt and economic growth at 5% level of significance.

1. External debt service has a negative long run relationship with economic growth. At 5% level of significance, the ordinary least square analysis (OLS) confirmed a significant negative long run relationship between external debt service and economic growth in Nigeria
2. Value of export has a positive long run relationship with economic growth. At 5% level of significance, the ordinary least square analysis (OLS) confirmed a significant positive long run relationship between value of export and economic growth in Nigeria.
3. There is a causality relationship between the predictor variables (external debt, external debt service and value of export) and the dependent variable (Gross Domestic Product). The Vector Error Correction specifically confirmed that the individual causality runs from the predictor variables to the dependent variable. Joint causality of the predictor variables to the dependent variables was however not confirmed.

Recommendations

1. There should be a ban on external debt for some time by the Nigerian government pending the liquidation of the outstanding external debt.

2. Given the negative relationship between Gross Domestic Product, on the one part and external debt and external debt service on the other part, poor management of external debt funds is implied. Therefore, the study recommends that where external debt is exceptionally necessary, it should be tied to a given project or investment and such investment should be efficiently managed to generate returns capable of liquidating the debt taken as well as the associated cost of servicing the debt.

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Appendix 1

Summarized Nigeria's External Debt Stock, External Debt Service, GDP and Export (1994 to 2015) Ununiformly Denominated.

S/N	Years		External Debt stock (in Naira billion)	External Debt Service (in Naira billion)	Export (in Naira Million)
1	1994		644.2	40.34	103,424.52
2	1995		713.15	35.47	567,211.04
3	1996		614.12	41.07	801,752.06
4	1997		592.85	32.75	785,472.71
5	1998		629.74	27.85	483,193.58
6	1999		2,594.42	159.6	1,559,299.53
7	2000		3,097.38	187.99	2,745,102.21
8	2001		3,188.65	239.39	1,979,337.67
9	2002		3,917.37	147.69	2,167,412.41
10	2003		4,457.16	244.99	3,109,288.41
11	2004		4,768.78	232.8	5,137,695.68
12	2005		2,670.33	1,165.90	6,621,303.65
13	2006		454.65	862.98	7,555,141.33
14	2007		431.08	107.46	6,881,501.32
15	2008		493.17	61.07	10,387,693.62
16	2009		594.70	64.49	8,606,319.73
17	2010		683.02	53.01	12,011,475.08
18	2011		887.95	56.07	15,236,666.00
19	2012		1,016.72	45.74	15,139,326.15
20	2013		1,373.57	47.43	15,262,013.62
21	2014		1,631.52	58.25	12,960,493.24
22	2015		2,106.17	65.05	8,656,590.57

Sources: Central Bank of Nigeria and Debt Management Office annual bulletin

Appendix 2

Summarized Nigeria's External Debt Stock, External Debt Service, GDP and Export (1994 to 2015) Uniformly denominated

S/N	Years	Total GDP (in Naira billion)	External Debt stock (in Naira billion)	External Debt Service (in Naira billion)	Export (in Naira billion)
1	1994	2,924.5	644.2	40.34	103.42452
2	1995	5,922.3	713.15	35.47	567.21104
3	1996	8,164.6	614.12	41.07	801.75206
4	1997	8,503.6	592.85	32.75	785.47271
5	1998	8,101.1	629.74	27.85	483.19358
6	1999	9,523.5	2594.42	159.6	1,559.29953
7	2000	13,671	3097.38	187.99	2,745.10221
8	2001	14,071	3188.65	239.39	1,979.33767
9	2002	15,799	3917.37	147.69	2,167.41241
10	2003	19,942	4457.16	244.99	3,109.28841
11	2004	22,745	4768.78	232.8	5,137.69568
12	2005	29,077	2670.33	1165.9	6,621.30365
13	2006	36,729	454.65	862.98	7,555.14133
14	2007	40,986	431.08	107.46	6,881.50132
15	2008	48,104	493.17	61.07	10,387.69362
16	2009	48,819	594.7	64.49	8,606.31973
17	2010	66,937	683.02	53.01	12,011.47508
18	2011	73,536	887.95	56.07	15,236.666
19	2012	79,413	1,016.72	45.74	15,139.32615
20	2013	82,724	1,373.57	47.43	15,262.01362
21	2014	89,044	1,631.52	58.25	12,960.49324
22	2015	94,145	2,106.17	65.05	8, 656.59057

Sources: Central Bank of Nigeria and Debt Management Office annual bulletin.