

CHAPTER V CONCLUSION

Based on the above discussion, this chapter will summarize the thesis on the implication of Structural Adjustment Programs on the economic crisis in Nigeria. I found that the implementation of SAPs is successfully recovering the Nigeria's economy. The economy package reforms that was suggested by the IMF and introduced by Nigeria in 1986, by economic liberalization and deregulations of government intervention in market system, have brought Nigeria to the better economic condition.

The positive implications toward the implementation of SAPs are indicated by the improvement in several sectors, including agriculture, manufacture, and the coming of foreign investment. Those three sectors was drop in the 1980s before the SAPs was implemented. Fortunately, after the implementation of SAPs, the three factors significantly increased and affected to the real GDP growth and make the Nigeria economy growing slowly.

In the Agricultural sector, SAPs is successfully increase the number of production. It is proven by Nigeria is the largest producer of cassava today. Moreover, half of the Nigeria income is coming from agriculture. It cannot be denied that SAPs have changed the perspective of the government to diversify the agriculture in order to create economic stability. In other sector, manufacture, although only have a little improvement, it still have a big contribution to the Nigeria economy. The existence of SAPs helped Nigeria to tackle the economic problem especially in manufacturing sector. Growth in this sector must be attributed to a very strong response to trade liberalization and exchange rate adjustment by a relative small part of the sector.

Furthermore, Under SAPs, Nigeria is successful to attract the foreign investor to invest in Nigeria. It started by the shifting on the economic policy that produced a stable economy condition. The stable economy condition of Nigeria can be seen as a sustainable condition for the private sector to give guarantee to the investment.

Figure 5.1 Chronological Order of Structural Adjustment Programmes in Nigeria

Problems	Economic Crisis	Structural Adjustment Programmes	Implication
<ul style="list-style-type: none"> • The over-focus of Nigeria government on oil-production • Undiversified of non-oil sector • Oil Blust: the decreasing of oil prices in 1976 	<p>Economic Crisis occurred in the early until mid of 1980s</p>	<ul style="list-style-type: none"> • SAPs was introduced by Nigeria government in 1986 as the respond of the crisis worsening in Nigeria • Nigeria implemented the programs that initiated by SAPs such as privatization and deregulation of government intervention in market system 	<ul style="list-style-type: none"> • In agriculture sector: <ul style="list-style-type: none"> ○ The increase of Agriculture production ○ Increase of Net Agricultural export ○ Increase of agriculture contribution to GDP Growth • In manufacture sector: <ul style="list-style-type: none"> ○ Increased of export ○ Help control inflation and ensured flexibility in the determination of the exchange rate • In foreign investment: <ul style="list-style-type: none"> ○ The success of improvement in agriculture and manufacture attract the foreign investor to invest in Nigeria > Increased of Foreign Direct Investment

Then, to simplify the understanding of my undergraduate thesis, I summarize the framework of my writing on a figure above. It describes the problems that cause economic crisis in Nigeria, the implementations of SAPs and the implications of SAPs toward Nigeria economic crisis in chronological order. I expect that this simplification could facilitate in the understanding of my undergraduate thesis.

As this is an undergraduate thesis, I believe that this research can contribute to the study of the implementation of Structural Adjustment Programs on Nigeria's economy. However, the lack of literature might be in some extent made this thesis cannot discuss the issues comprehensively. Nevertheless, this thesis can provide information and contributed particularly on International Relations study. It is expected the future research will be more comprehensive and the topics still needed to be examined by adding some topics and references.