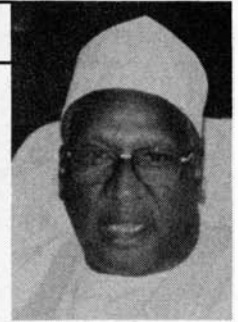

Interview: Al-Haji Bamanga Tukur



'Our priority is to improve our agriculture and industry'

Mr. Tukur is Nigeria's minister of industry.

EIR: Before we get into specifically Nigerian industry, how did the International Monetary Fund's structural adjustment programs affect Nigeria over the recent period?

Tukur: They affected Nigeria positively in many ways, and also negatively in others. Positively, in the sense that when smaller exports and smaller-scale industries started, there was a kind of determination to have self-sufficiency. But because of the many structural defects, that which ought to have helped the real structural adjustment to take place, was not in place. So the whole thing really flattened. And then naturally, with the fall of prices in the oil economy, the hardship really surfaced more than anything else.

It's a very good concept, but it has to rest on certain structures. I'll give you an example. If a small-scale industry was going to open in a developed country, they would not bother about access to that place, because the roads would already exist. They would not worry about electricity. They would not have to think about providing water; it is already there. So their costs can be easily identified. But where these things do not exist, or only feebly, they are in trouble. Because they will come to be faced with so many unknowns immediately, that the project won't be viable. The entrepreneur now has to dig wells; oh, the electricity has gone down—he has to provide a generator, more spare parts. So the entire benefit will be lost. And that is what happened. It was started wrongly. If it had been started with the provision of the infrastructure, I could assure you—they talk about the Asian "Tigers," do you know why they succeeded? Because most of their infrastructure was in place—power, water, access, communications. And therefore, a small man can start an outfit and still assure the manufacturer that he can supply.

EIR: What plans does your ministry have for infrastructure development in Nigeria, to help with industry and agriculture?

Tukur: That is now very important. My charge today is to revitalize the ailing industries. To really complete the unfinished projects; they are lying all over the place. You need a huge investment—billions. And therefore, as far as the country is concerned, the economy is concerned, it is at zero level. But the projects are maybe 95% completed; a few

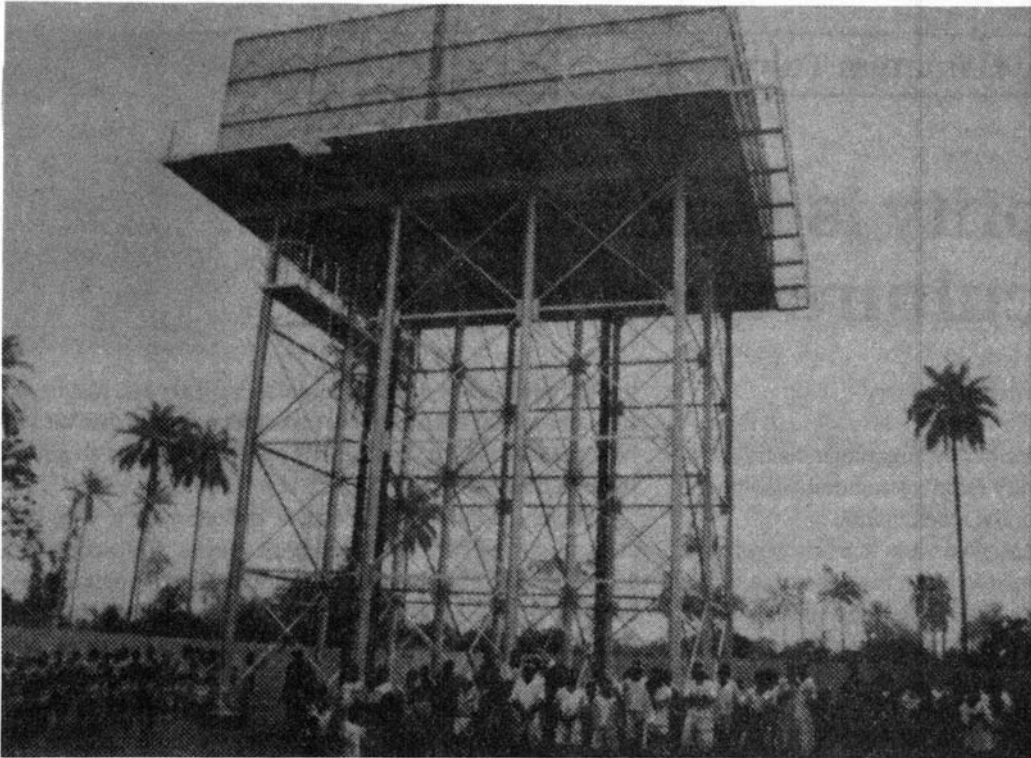
things remain to be done. We couldn't get access, maybe, to foreign exchange to get a few parts remaining so that we can now get that industry going. It's my responsibility to get all these to function.

There are so many industries operating at a very low capacity. Now they could employ maybe 500 people, or 1,000 people; you find out that they end up employing 50, because they do not get access to raw materials, because they couldn't get access to foreign exchange to buy the raw materials to blend in with the local material that they can source. And that alone means operating at a very low level of installed capacity. Unemployment goes up; then, of course, income goes down; normally even the guy who sells a tomato will now find it very difficult to sell that tomato, simply because the guys around who would buy his tomato are not in a buying capacity anymore. It is difficult, unless one really comes down to earth and finds out what actually is the problem. The problem has to be understood right from the local areas.

EIR: For the country to develop, you would need certain industrial, manufacturing industries. You would need certain things like electricity and other types of infrastructure. Where do those industries stand right now in the Nigerian economy? Are you making progress with them? Which ones do you want to put the most emphasis on? Which ones are in the worst shape, and you want to work with?

Tukur: When we came in, first and foremost we asked ourselves, what do we do? We now have to address ourselves to the productive sector, because there is no way that you can help revive an economy unless you produce. So, we placed the emphasis on production. And we predicated that on the budget policy of giving 60% of our scarce foreign exchange to the manufacturing sector and agriculture. That is the productive sector. Eighty percent of our people are employed in the agricultural sector. A small increase in the agricultural sector, in terms of production, means a big multiplier factor, in terms of economy of scale, even if you have a growth of 1%, meaning that 80% in our society is benefitting from that 1% growth. If agriculture grows a large amount of the raw material required by the industries, they can be a source for agriculture.

So we addressed agriculture, to produce the raw material;



A water project in Edo State. Says Mr. Tukur: "We rested our case on serious addressing these two sectors, agriculture and industry. And we are working flat-out to do this. All those concerns that have been closed, we are opening them."

we addressed the processing industries, to increase their capacity. This means, in effect, that our exposure to hard currency will be less; at least we can provide a certain amount of food or the raw material that the industries require, and at the same time provide more opportunities for employment, which can increase the purchasing power of the communities themselves. We rested our case on this—seriously to address these two sectors, agriculture and industry. And we are working flat out to do this. All those concerns that have been closed, we are opening them, like paper mills. Since I've come in, I've gotten Jabba Paper Mill open; I've gotten some of the sugar industries open; I've gotten cement companies really working and we've increased the capacity utilization.

EIR: What is the state of the steel industry in Nigeria? I know there were discussions many years ago about Nigeria becoming a steel producer. There have been some investment plans for an aluminum production plant. Since these are the heavy industries that are so important for an economy, can you tell our readers where Nigeria is in production in these areas?

Tukur: For example, the Ajeokuta Steel Plant is about 98% completed. During your time in Nigeria, I hope you can get a chance to visit these complexes. Unfortunately, they were built in such a way that you hardly can use them until the time of completion. This plant can be completed; but the remaining 2% means over 3 or 4 billion naira. It is not really the 2%; it is something else that is required of us, but it is something we are really required to do. These institutions

like the World Bank and so on should be able to understand. It's not that they do not know; they can see and they can also visit, but they don't want us to really get that *little* amount so that the bridgehead can be secured.

EIR: What kind of production capacity would the steel plant have when it is completed?

Tukur: About 40 million tons.

And also the aluminum smelter. Everybody knows how strategic aluminum products are; and this can be completed. I can tell you, it is a good investment by all standards. The international community knows about this; it is a viable project; it can be completed; it can reduce the Nigerian export debt.

EIR: At what stage of completion is the aluminum plant?

Tukur: It's about 62 to 68% done.

EIR: Are there any other similar large industrial projects that you are working on in Nigeria?

Tukur: I'm working on paper, which is very strategic. I'm working on the cement complexes, which are also very strategic. We are working on the sugar plants. We need investment in these kinds of industries.

We chose these areas with the understanding [of the international financial institutions]; it was not done in isolation or in confrontation with the World Bank or IMF. Some were done, in fact, with the African Development Bank, which is an outgrowth of the World Bank anyway, in a way. It runs

tremendously by the World Bank decisions. But as you go along, here is a project, and you start paying before we start producing, and automatically you default in interest payments, and because you cannot draw down to go ahead, they know that you cannot grow, because you default; you have 200 million to draw down; and you default on 10 million, and they hold you ransom because of that. They cannot say: Fine, now you are entitled to 200 million. Because you cannot finish; you can also see a good reason why you cannot finish, and therefore you cannot solve this 10 million. You cannot meet your obligations. And the project just stops. By the time you revive it, it becomes 300 million and your exposure becomes 15-20 million a year. And your working capital is not there. You cannot borrow.

EIR: Nigeria is strategically, politically, and economically a very important country for all of Africa, and also for Western Africa. You have the Economic Community of West African States. Are there plans by this group, which Nigeria is part of, for regional economic development, regional infrastructure projects?

Tukur: We are part and parcel of the West African Economic Community. We also have many bilateral and multilateral arrangements within this sub-region. It is Nigeria's wish and prayer that within that sub-sector, we can increase cooperation and explore things that we can do to particular advantage to all sides.

In many of our conferences, we emphasize that there is a lot that can be done, of importance and economic benefit. We should look at a transportation system, even the generation and distribution system; this could be highly intensive, which you could do and reap the economy of scale, and at the same time distribute more comprehensively and benefit far more than what we are doing at the moment.

EIR: When independence came to Nigeria, like many of the African countries, there was a positive spirit of development. With freedom and independence was going to be economic development, industrialization, after overthrowing the yoke of colonialism. That has slowed down, to say the least, in Africa, including in Nigeria. What do you think has happened along the way to dampen that dream, and what do you think we can do now to revive that spirit of industrial development for Africa again?

Tukur: We have learned our lessons. But I think that what is required is an understanding from the developed countries. Now if we have your understanding, we can do that. I'll give you a good example. You are talking about democracy. Let's look at this country; it is a military-controlled country. I'm sitting here, I'm a 100% democrat. I do not believe in military administration as *an answer*. I know that, because the *best way possible* is for people themselves to decide their future; it is more natural.

I was talking about this to one of my colleagues in Britain.

He said to me: "Look, Bamanga, you know very well that unless your country is democratic, we have no business to deal with you," and so on and so forth. I said: "Yes, very good, you are our colonial masters. Let me ask you one single question. You are dealing with Saudi Arabia; you are dealing with the Gulf—are they democratic?" He said to me: "But you have to protect your source of energy. America must deal with Saudi Arabia; they must deal with the Gulf states, regardless of whether they are democratic or not in the concept and perception of the United States."

So, [I told him], why cannot you understand that *I know*, I appreciate whatever "democracy" means to you; it means to you what it means to you. Democracy maybe to me is a different thing; it may have different meanings to different people. I can see America supporting Algeria. This is democracy; that's what they decided. I can see Russia, with Yeltsin there; it was a parliament, they represented the people. Well! So we understand, but sitting where we are sitting, please understand that we know why the shoe pinches. So when you do that; when you recognize Yeltsin, stopping the Russian parliament; when you tolerate Saudi Arabia and the Gulf states, regardless of elections, please understand that in Nigeria we have a problem, a problem that we want to now have a peaceful, united country. We do not want chaos; we do not want blankets and biscuits because we are fighting: No, save that! Help us. Don't put sanctions. If you put sanctions on us, who suffers most? The people who you say you want to support.

So leave us alone, by saying to us instead: "Okay, we understand; as long as you do not trample on your people by doing something that everyone can see, depriving them of all rights, imprisoning them." Nobody can underwrite what is going on in Rwanda. It's terrible! And this is what will happen when you have people who are not educated—the level of education is very low.

We respect very much the system of the individual's right to achieve, to be the best. Let us go step by step, so that we can appreciate, as we go along, the beauty of education, the beauty of unity, the beauty of free trade.

EIR: Mr. LaRouche, who is the founding editor of *EIR*, has been campaigning now for nearly 20 years for a new, just economic order—one that would promote the development of each sovereign country and the development of each individual, each citizen within that sovereign country. Do you think that Nigeria could support these kinds of efforts?

Tukur: Yes, we believe that this is positive; we believe really in this cultural background. We must appreciate sovereignty of nations. You start from individuals: Fingers are not equal, you say fine; they all move, but some are shorter, some are longer. So if we agree, we start with that. With nations too. This kind of theory says, allow them to jump, and continue increasingly higher as they jump, until a certain level is reached.