

WHY WE ARE WHERE WE ARE TODAY

By Oni Gbolabo

Appreciation and Depreciation of Currency is not related to race or color. It isn't who is the President either; be he Hausa, Igbo or Yoruba. It is basically about the production of goods and Services and the demand of your products in the World market. A confused Country that produces almost next to nothing will never meet up. Policies only control your Currency, not the value of other Countries' Currencies against yours. A Country where over 500 Industries died within 30 years must be Stupid to complain of Depreciation of her Currency. We keep killing local industries and expect policies to make it up, it's a joke sir. Don't use China as an example of depreciating Currencies and strong economy. China produces and may attract more export with that strategy, unlike Nigeria that produces nothing. A Country where someone made away with \$2+billion simply to be shared, is already a doomed one in terms of monetary policy and value. A Country that produces a Dizeani and a Bafarawa, who spent billions to appease Demons. Those money without economic value is an economic waste and poison injected into the system.

A Country that favors importation over local production is doomed because it creates employment for other Countries while sacking her own Citizens. Some people are working in Michelin and Dunlop somewhere, yet we use the tyre here. Don't tell me about the principle of comparative advantage here; it's not applicable. A Country that exports all raw materials without adding value to them, is shameless to talk of depreciation of her Currency, and will later re-import finished products of those materials, is the peak of daftness. A bag of Cocoa will go for, like N1million Naira, but when it is processed, it's worth is around N7million. Even farmers who produced the raw Cocoa can't buy the end product.

A Country that deliberately operates a banking system that gives loans to importers at the expense of local industries is doomed and should say nothing about depreciation. Most of the loans are given to Senators and Representatives not industrialists. A Country that gives loans in billions to the agric sector without monitoring and evaluation of such loan on how it gets to the real farmers, is a Shame. A guy collected over N2 billion agric loan, he bought a Jeep, built a nice house and used the rest to import processed Pork. Meanwhile, local Pork Farmers are dying here. Is that not double tragedy, stressing Forex and at the same time killing local industries. A Country that spends more on few privileged politicians at the cost of the populace who are unemployed, should not talk about money depreciation. A Country that keeps paying NNPC Staff N10 billion as Salaries every month, when a single drop of Petroleum

Products was not processed, should shut up about depreciation of Currency. The only value-added product to the system is raising Crime and Criminality. A Country where it is difficult for investors to register businesses because of the demand for bribes by government officials. Right from the Airport to the Hotel; to the Ministers and to Governors, investors will bribe. All these are part of cost of investment. A friend brought an investor on Estate Development just for the State Commissioner for Lands to demand 30% of the investment! To see the Governor in a State will cost you N2 million as bribe before you can be scheduled. This is a State as poor as anything.

A Country where the cost of travelling for treatment abroad by government officials will build World Class Hospitals, should not talk about Naira against Dollar parity. Money taken on that trip is part of stress on forex. Same as forex spent on Pilgrimage. Let religion fanatics keep off me here. Without going to Mecca or Jerusalem, you can still make heaven. Yes! You waste forex on Pilgrimage and later talk rubbish about forex. Pilgrims get Dollars for N160 while industries get it for N350! Is that not crazy?

A Country where a few people have access to Federal Reserves and those few can get loans, not because of what they can produce but the connection they have... Is that Country not doomed already? A Country where we import what we produce because it's "Cheaper" to do so, is doomed. A Country that has Arable land and teeming idle youths but still complains of hunger, should not talk about Currency depreciation. It's not only annoying but nauseating. A Country where free money flows can never control inflow and outflow of Forex. Imagine someone who wants to hide his loot went to "Aboki", the Forex dealer, to buy Dollars worth \$50 million just to hide it in the basement of his house. That money has no economic value, yet it deprived those companies that needed it to import raw material. The same Companies go to "Aboki" to buy the hard Currency at exorbitant price.

A Country where a strong Bank owner can influence Shares from within the Stock Exchange floor to inflate their Shares' worth from N20 to N150, crash the same Share to N30 and ready to buy it back at N28, all within a year. Forget it, the Currency will never appreciate in such an economy. A Country where Banks are involved in round-tripping and inflated cost to siphon money is doomed. A Company wants to import Caterpillar worth \$50,000. A Bank made the forex for such import \$550,000. Meanwhile no Caterpillar was imported at last, yet the money faded into private accounts. Who strained the Forex exchange rate in that case?