Political Development in Nigeria [3]

1. Public Corporations and Parastatals

Public corporations and parastatals are government-owned or controlled organizations established to provide essential services or engage in economic activities for the public good.

A. Definition

- **Public Corporations:** Autonomous or semi-autonomous corporate bodies established by an Act of Parliament (or decree/edict) and wholly owned by the government. They are created to perform specific economic, social, or public service functions, usually of a commercial or semi-commercial nature. Examples include NEPA (now PHCN/successor companies), NITEL, Nigerian Railway Corporation (NRC), NNPC, NTA, FRCN.
- **Parastatals:** A broader term that refers to all government-owned or controlled organizations, including public corporations, boards, agencies, commissions, and research institutes. While all public corporations are parastatals, not all parastatals are public corporations. They generally operate outside the direct ministerial structure.

B. Purpose and Functions

Public corporations and parastatals are established to fulfill various objectives:

- **Provision of Essential Services:** To provide services that the private sector might not offer due to low profitability or high risk (e.g., electricity, water, public transport, postal services).
- **Social Welfare:** To implement social policies and improve citizens' well-being (e.g., public health, education, housing).
- **Economic Development:** To stimulate economic growth, create employment, and manage strategic sectors (e.g., oil and gas, mining, steel production).
- **National Security:** To control strategic industries vital for national security (e.g., defense industries, telecommunications).
- **Control of Monopolies:** To prevent private monopolies in vital sectors or to provide services where a natural monopoly exists (e.g., electricity distribution).
- **Job Creation:** To absorb a significant portion of the workforce.
- **Revenue Generation:** To generate revenue for the government (though many historically operated at a loss).
- **Regional Development:** To ensure equitable distribution of services and industries across the country.

C. Finance and Control

- **Finance:** Public corporations are typically financed through:
  - **Government Subventions/Grants:** Direct allocations from the annual government budget.
  - **Loans:** From government, local, or international financial institutions.
  - **Internally Generated Revenue:** From the sale of their goods or services (though this was often insufficient).
  - **Tariffs/Charges:** Fees collected for services rendered.
- **Control:** To ensure accountability and adherence to government policy, public corporations are subject to various controls:
  - **Ministerial Control:** The supervising ministry sets policy, approves budgets, and appoints/removes board members.
  - **Parliamentary/Legislative Control:** Through budget approval, oversight committees, public accounts committees, investigations, and legislation.
  - **Presidential/Executive Control:** The Head of State/President exercises overall control through appointments, directives, and dissolution of boards.
  - **Judicial Control:** Through court actions (e.g., challenging ultra vires acts, enforcing contracts).
  - **Auditing Control:** By the Auditor-General's office to ensure financial probity.
  - **Public Control:** Through media scrutiny and public opinion.

D. Problems Faced by Public Corporations

Despite their noble objectives, public corporations in Nigeria (and many developing countries) faced significant challenges:

- **Political Interference:** Excessive interference by supervising ministries or political leaders in day-to-day operations, appointments, and contracts, undermining autonomy and efficiency.
- **Corruption:** Widespread embezzlement, contract inflation, and mismanagement of funds.
- **Incompetent Management:** Appointment of unqualified personnel based on political patronage rather than merit, leading to poor decision-making.
- **Over-staffing/Redundancy:** Employment often based on political considerations rather than operational needs, leading to bloated payrolls and inefficiency.
- **Indebtedness:** Accumulation of huge debts due to inefficiency, corruption, and inability to generate sufficient revenue.
- **Lack of Autonomy:** Despite being designed to be semi-autonomous, they often lacked true operational freedom from government control.
- **Bureaucracy and Red Tape:** Cumbersome procedures and regulations that hindered quick decision-making and innovation.
- **Poor Funding/Under-capitalization:** Inadequate and untimely release of funds from the government.
- **Lack of Accountability:** Weak oversight mechanisms and impunity for corrupt officials.
- **Nepotism and Tribalism:** Influence of non-merit factors in appointments and operations.
- **Obsolete Equipment:** Lack of investment in modern technology, leading to operational inefficiencies.

E. Deregulation, Privatization, and Commercialization

In response to the pervasive problems of public corporations, successive Nigerian governments adopted policies of deregulation, privatization, and commercialization.

- **Deregulation:**
    - **Objectives:** To reduce government control and allow market forces to play a greater role, increasing competition and efficiency.
    - **Features:** Removal of price controls, easing of entry barriers for new competitors, reduction of bureaucratic hurdles.
    - **Merits:** Promotes competition, potentially lower prices, encourages innovation, expands services.
    - **Demerits:** Can lead to job losses, market failures, and may not guarantee access for all, especially in essential services.
- **Commercialization:**
    - **Objectives:** To make public enterprises more efficient and self-financing by operating them on commercial principles, while retaining government ownership.
    - **Features:** Emphasis on profit motive, cost recovery, autonomy in daily operations, but ultimate ownership remains with the government.
    - **Merits:** Improved efficiency, reduced reliance on government subventions, better service delivery, increased accountability.
    - **Demerits:** May lead to increased cost of services, potential for reduced access for the poor, often a stepping stone to full privatization.
- **Privatization:**
    - **Objectives:** To transfer the ownership and control of public enterprises from the government to private individuals or companies.
    - **Features:** Sale of government shares or assets to the private sector, often through public offerings or core investor sales.
    - **Merits:** Increased efficiency and profitability, attraction of foreign investment, reduction of government expenditure and debt, technological upgrade, improved service delivery.
    - **Demerits:** Potential for job losses, creation of private monopolies, concerns about equitable wealth distribution, loss of strategic national assets, increased cost of services, corruption in the privatization process.

F. Comparison between Public Corporations and Parastatals

As noted in the definition, "parastatal" is a broader term. All public corporations are parastatals, but not all parastatals are public corporations. The key distinction often lies in their degree of commercial orientation and legal corporate status:

- **Public Corporations:** Typically established as distinct legal entities with their own corporate seal, capable of suing and being sued. They are generally involved in commercial or quasi-commercial activities and aim for a degree of financial self-sufficiency (even if often failing).

- **Other Parastatals (e.g., Boards, Agencies, Commissions, Research Institutes):** May not necessarily be involved in commercial activities. They often perform regulatory, advisory, research, or direct administrative functions. While also government-owned or controlled, their financial autonomy and commercial mandate might be less pronounced than that of public corporations. Examples include the National Universities Commission (NUC), National Agency for Food and Drug Administration and Control (NAFDAC), National Bureau of Statistics (NBS).

Essentially, "public corporation" refers to a specific *type* of parastatal with a distinct commercial or service delivery mandate and a corporate structure, whereas "parastatal" is an umbrella term for any entity linked to the government but operating somewhat independently of direct ministerial control.

2. Local Government

Local government is the lowest tier of government, closest to the people. It plays a crucial role in grassroots development and service delivery.

A. Local Government Administration Prior to 1976

Before the comprehensive 1976 reforms, local government systems varied significantly across Nigeria and were largely influenced by the colonial legacy of indirect rule.

- **Northern Nigeria:** Characterized by strong Native Authorities (NAs) headed by Emirs and traditional rulers. These NAs were powerful, combining administrative, judicial, and legislative functions. They were largely effective but often autocratic and less accountable to the populace.
- **Western Nigeria:** Initially used Native Authorities, but these were less effective due to more diverse political structures. Later adopted a more elected council system with limited powers, often based on British models.
- **Eastern Nigeria:** Faced significant challenges with the imposition of Warrant Chiefs. After widespread opposition (e.g., Aba Women's Riot 1929), attempts were made to introduce more representative county and district councils, but these often struggled with legitimacy and financial viability.
- **General Problems (Pre-1976):**
  - Lack of uniformity across the country.
  - Dominance of traditional rulers (especially in the North) often stifled popular participation.
  - Weak financial base and over-reliance on central government grants.
  - Low caliber of personnel.
  - Limited functions and powers, often merely extensions of state government.
  - Excessive interference from regional/state governments.

B. Features of Local Government Reforms (1976, 1989)

The 1976 Local Government Reforms (introduced by the Murtala/Obasanjo military regime) and subsequent adjustments, notably in 1989 (Babangida regime), fundamentally reshaped local government in Nigeria.

- **1976 Reforms:**
    - **Uniformity:** Introduced a uniform, multi-purpose local government system across the country, based on a single-tier structure.
    - **Defined Powers:** Clearly defined the functions and powers of local governments (exclusive and concurrent lists).
    - **Financial Autonomy:** Advocated for increased financial autonomy with statutory allocations from federal and state governments.
    - **Popular Participation:** Emphasized grassroots participation through elected councils.
    - **Abolition of Native Authorities:** Replaced them with modern local government councils.
    - **Chief Executive (Chairman):** Introduced the concept of an elected chairman as the chief executive.
- **1989 Reforms (Dasuki Report Influence):**
    - **Full Autonomy:** Aimed at granting full autonomy to local governments, making them a "third tier" of government, independent of state control to a large extent.
    - **Direct Funding:** Federal allocations were to be paid directly to local governments, bypassing state governments.
    - **Presidential System at Local Level:** Introduced an executive chairman and legislative council, mirroring the federal and state structure.
    - **Separation of Powers:** Attempted to introduce separation of powers within local government councils.
    - **Increased Statutory Allocation:** Increased local government share of national revenue.
- **Structure:**
    - **Elected Chairman:** The chief executive of the local government council.
    - **Legislative Council/Councilors:** Elected representatives from wards within the local government area.
    - **Supervisory Councilors:** Appointed by the Chairman to oversee departments.
    - **Local Government bureaucracy:** Permanent staff responsible for administration.
- **Functions (Common across reforms):**
    - **Exclusive (Mandatory):** Collection of rates, radio/TV licenses; establishment and maintenance of markets, motor parks, public conveniences; naming of streets; control of noise; control of hawking; provision of public health services (e.g., sanitation, refuse disposal); registration of births, deaths, and marriages; provision of primary education (concurrent responsibility).
    - **Concurrent (Shared with State):** Provision of health services (primary health care), adult education, agriculture and natural resources, housing, town planning, rural development.
- **Finance:**
    - **Statutory Allocations:** Primary source of revenue from federal and state governments.
    - **Internally Generated Revenue (IGR):** Rates (property tax), licenses, fees from markets, motor parks, etc.
    - **Loans:** From banks or other financial institutions.

- **Inter-governmental Relations:** Local governments operate within a federal system, requiring coordination and sometimes contention with state and federal governments. The 1999 Constitution places local governments under the legislative control of state assemblies, creating a dependency that often undermines their autonomy despite federal funding directly.

C. Traditional Rulers in Local Governments

Despite the introduction of modern local government systems, traditional rulers (Emirs, Obas, Ezes, Chiefs) continue to play a significant, though often informal, role.

- **Roles:**
    - **Custodians of Culture and Tradition:** Preserve local customs and values.
    - **Arbitrators:** Settle local disputes (though not with formal judicial powers).
    - **Peacekeepers:** Promote peace and harmony in their domains.
    - **Advisers:** Offer advice to local government officials on community needs and issues.
    - **Mobilizers:** Mobilize their people for communal projects or government programs (e.g., immunization).
    - **Symbolic Heads:** Serve as symbols of unity and identity for their communities.
- **Challenges:**
    - Their roles are often undefined or overlap with elected officials.
    - They can sometimes interfere in local government administration.
    - Funding of traditional institutions remains a contentious issue.
    - Succession disputes can cause instability.

D. Problems of Local Government Administration in Nigeria

Local governments in Nigeria continue to face significant challenges, hindering their effectiveness.

- **Inadequate Funding:** Despite statutory allocations, funds are often insufficient, or subject to diversion/mismanagement. Internally generated revenue is typically very low.
- **Excessive State Government Control/Interference:** States often control local government funds (joint accounts), dissolve elected councils arbitrarily, and appoint caretaker committees, undermining autonomy.
- **Corruption:** Widespread embezzlement, contract inflation, and misappropriation of funds by local government officials.
- **Lack of Qualified Manpower:** Shortage of skilled administrative, technical, and professional personnel.
- **Political Instability:** Frequent dissolution of elected councils, leading to a lack of continuity and experienced leadership.
- **Nepotism and Tribalism:** Influence of non-merit factors in appointments and award of contracts.
- **Lack of Public Participation:** Low voter turnout in local elections, apathy, and lack of civic engagement.
- **Undefined Role of Traditional Rulers:** Ambiguity in their constitutional role can lead to friction with elected officials.
- **Over-staffing:** Employing too many people, often for political reasons, which drains resources.

- **Insecurity:** Increasing insecurity in many areas impacts local government operations and revenue generation.

3. The Military in Nigerian Politics

Nigeria has experienced prolonged periods of military rule, which profoundly shaped its political development.

A. Factors that Led to Military Intervention

Several factors contributed to the frequent military interventions in Nigerian politics:

- **Political Instability:** The First Republic (1960-1966) was plagued by intense regionalism, ethnic rivalries, political violence (e.g., Western Region crisis), and electoral malpractices.
- **Corruption:** Perceived widespread corruption among politicians.
- **Economic Mismanagement:** Economic decline and inability of civilian governments to address pressing economic issues.
- **Ethno-Religious Divisiveness:** Deep divisions along ethnic and religious lines, leading to lack of national cohesion.
- **Weak Opposition:** A largely ineffective political opposition that failed to provide a credible alternative or hold the government accountable.
- **Lack of Political Maturity/Culture:** A nascent democratic culture characterized by intolerance, do-or-die politics, and disregard for the rule of law.
- **Perceived Weakness of Civilian Government:** Military often viewed civilian politicians as incapable or corrupt.
- **Military's Self-Interest/Professional Ambition:** The military developed a taste for power and saw itself as the 'redeemer' of the nation, often driven by personal ambitions of officers.
- **External Influence:** Indirect influence from Cold War dynamics and foreign interests.

B. Structure of Military Regime

Military regimes typically operate differently from civilian governments, characterized by centralized command and control.

- **Supreme Military Council (SMC) / Armed Forces Ruling Council (AFRC) / Provisional Ruling Council (PRC):** The highest legislative and executive body, composed of the Head of State, service chiefs, and other senior military officers. It held ultimate power.
- **Head of State:** The supreme commander of the armed forces and head of government, who rules by decree.
- **Federal Executive Council (FEC):** Composed of military officers and selected civilians, responsible for implementing policies. Ministers (or Commissioners) were appointed to head ministries.
- **Military Governors/Administrators:** Appointed by the Head of State to head states, exercising absolute power within their states. They operated with State Executive Councils.
- **Suspension/Subversion of the Constitution:** Fundamental aspects of the constitution (especially those relating to separation of powers and human rights) were usually suspended or abrogated.

- **Rule by Decree:** Laws were made through decrees (at federal level) and edicts (at state level), which could not be challenged in court.

C. Impact of Military Rule

Military rule had profound and lasting impacts on Nigeria's political, economic, and socio-cultural landscape.

- **Political Impact:**
    - **Centralization of Power:** Military regimes were highly centralized and hierarchical, concentrating power in the hands of the Head of State and the SMC/AFRC. This eroded federalism.
    - **Creation of States:** Military regimes were largely responsible for the creation of more states (from 4 regions to 12, 19, 21, 30, and eventually 36 states), initially to address minority demands but also to weaken regional loyalties and consolidate federal power.
    - **Unified Local Government System:** The 1976 Local Government Reforms, which introduced a uniform system nationwide, were a product of military rule (Unified Local Government Decree No. 34 of 1976).
    - **Erosion of Democratic Institutions:** Suspension of legislatures, banning of political parties, suppression of civil liberties, and weakening of the judiciary.
    - **Politicization of the Military:** The military became deeply involved in politics, leading to internal divisions, coups, and counter-coups.
    - **Human Rights Abuses:** Frequent arrests, detentions without trial, and suppression of dissent.
    - **Instability and Coup Culture:** Established a cycle of military interventions, making the political system fragile.
- **Economic Impact:**
    - **Structural Adjustment Programme (SAP):** Introduced by the Babangida regime in 1986, SAP aimed to restructure the economy, promote free markets, and reduce government expenditure.
        - *Features of SAP:* Devaluation of the naira, trade liberalization, privatization of public enterprises, removal of petroleum subsidies, deregulation of financial markets.
        - *Merits:* Led to some economic diversification, increased private sector participation, some macroeconomic stability in initial phases.
        - *Demerits:* Caused significant hardship for ordinary citizens (rising inflation, unemployment), increased poverty, weakened social services, generated protests.
    - **Increased Corruption:** Military rule often lacked transparency and accountability, leading to an increase in corruption.
    - **Indebtedness:** Accumulation of huge national debts.
    - **Focus on Oil:** Continued over-reliance on oil revenue, neglecting other sectors.
- **Socio-cultural Impact:**
    - **Breakdown of Social Values:** Corruption and lack of accountability permeated society.
    - **Brain Drain:** Many professionals left Nigeria due to political instability and economic hardship.
    - **Suppression of Free Speech:** Media censorship and harassment of journalists.

    - **Rise of Ethnic Nationalism:** Military regimes, despite state creation, often intensified ethnic and religious fault lines through their policies and appointments.
    - **Erosion of Civil Society:** Suppression of unions, student bodies, and other civil society groups.

D. Processes of Military Disengagement

The military, at various times, attempted to disengage from politics and return power to civilians.

- **Coup to Civilian Rule (1966-1979; 1983-1999):** This involved a phased withdrawal from power through:
    - **Constitutional Review/Drafting:** Setting up constitution drafting committees and constituent assemblies.
    - **Formation of Political Parties:** Lifting bans on political activities and allowing the formation of new parties (sometimes guiding their formation).
    - **Electoral Process:** Organizing staggered or full-scale elections (local, state, federal).
    - **Transition Programs:** Implementing a detailed timetable for handing over power.
    - **Handover of Power:** Swearing in elected civilian governments.
- **Challenges of Disengagement:**
    - **"Pull Syndrome":** The military's reluctance to fully disengage due to a perceived "mess" left by civilians or self-interest.
    - **"Push Syndrome":** Pressure from the international community, civil society, and internal dissent for a return to civilian rule.
    - **Fragile Civilian Institutions:** The institutions built during military transitions were often weak and susceptible to future coups.
    - **Lingering Military Influence:** Even after disengagement, the military often retained significant influence behind the scenes.
    - **Lack of a Clear Political Culture of Succession:** The inability of politicians to manage democratic succession peacefully often provided pretexts for military intervention.