

POLITICAL ECONOMY OF PUBLIC ADMINISTRATION IN NIGERIA

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Abstract

This paper is a theoretical exposition on the Political Economy of Public Administration in Nigeria. Its aimed at identifying the major factors in the Nigerian political economy that will navigate a new political culture in the public administration of Nigeria state for a strong and sustainable political and administrative system that will in turn establish good governance. The paper adopted the Marxist Political economic theory of the primacy of the economy in the political and administrative structure of a system. The paper is anchored on secondary data, with content analytical model of expository framework. It concluded by recommending among others, that a new political economic culture be introduce to reduce the much economic gains and interest in politics and in political power as well as reduction in the paraphernalia of public office, thus reducing the keen struggle for political power in Nigerian state; change in the method and approach of our political leadership recruitment that will reduce rush in the pursuit of political power and public offices etc.

Introduction

The challenges confronting effective public administration in Nigeria are both endogamous and exogamous. Since independence till date, successive governments in Nigeria have been on the investigation on how to achieve sustainable socio-political and economic development in the country amidst her abundant human and material potentials, indeed our political economy leaves more despair on us than hope. From the present standpoint of lost opportunities, outsiders perceive Nigeria, the giant of Africa, as a country unable to demonstrate good stewardship of her resources (Okpata, 2008). The political economic predicament of Nigeria in its historical perspective can be attributed to the nature and practice of our political economic culture and governance. However, the difficulty of correct assessment of the nature of Nigerian public

administration in effectiveness has been that the indices of development have been neglected in the place of history in our development generally. Okigbo (1986:54) observed in this direction that:

One cannot evolve a new strategy for the future development of a Nation's economy without first understanding the past and current strategies where they have seemingly gone wrong and how, if that is possible, to direct them along a new trajectory.

Historically, Nigerian government has introduced a number of political and economic policies and programmes with the expectation that Nigerian people would have a little or no difficulty in evolving favourable conditions for the attainment of overall development for national progress. But all have fallen short of effective public administration and good governance. There is, therefore, the need to bring about a new political economic culture, which will engender a suitable, strong and sustainable political economic system that will ensure good governance within the polity. The foregoing is again underscored in the understanding that although Nigeria has effectively or functionally failed, it still retains a national carcass which can be resuscitated with good governance and conscientious leadership through sincere recruitment of her Public Administration.

NATURE AND HISTORICAL PERSPECTIVE OF NIGERIAN POLITICAL ECONOMY

The political economy of Nigeria conceptually refers to the interconnectedness of political and economic factors in the understanding of the developmental dynamics of the nation's governance system over time. Put differently, the political economy of Nigeria can be understood from the standpoint of relating the socio-political activities of the nation with the level of her economic development, which is determined by the dynamics of economic realities. The economic structure of Nigeria is a mixed economy with well-developed financial, communications, transport, and entertainment sub-sectors. Nigeria's economy is ranked 31st in the world in terms of Gross Domestic product (GDP) as

of 2009, and its emergent , though currently underperforming manufacturing sector is the second-largest in the continent, producing a large proportion of goods and services for the rest of the west African region(Fagbemiron, 2010).

Previously hindered by years of mismanagement, the economic reforms of the past decades have put Nigeria back on track towards achieving its full economic potentials. Nigerian GDP at purchasing power parity, is more than doubled from \$170.7 billion in 2005. Although estimates of the size of the informal sector (which is not included in official figures) put the actual number closer to \$520 billion (Fagbemiron, 2010). Correspondingly, the GDP per capita doubled from \$1200 per person in 2005 to an estimated \$2,500 per person in 2009 (again, with the inclusion of the informal sector, its estimated GDP per capita hovers around \$3,500 per person). It is the largest economy in the west African Region, 3rd largest economy in Africa (beside south Africa and Egypt) and on track to be one of the top 30 economies in the world in the early part of 2011 (World Bank, 2010).

Although much has been made of its status as a major exporter of oil and ranked 15th in production at 2.2 million barrels per day (mbpd), the top 3 producers Saudi Arabia, Russia and the United states, produce 10.mbpd (16.8%), 9.8mbpd (15.4%) and 8.5mbpd (13.4%) respectively, collectively accounting for 63.6mpd (45.4%) of world's total production (World Bank, 2010). To put oil revenues in perspective, the World Bank figures show that, at an estimated export rate of 1.9mbd, with a projected sales price of \$65 per barrel in 2011, Nigeria's anticipated revenue from petroleum is about \$52.2 per billion. This accounts for less than 14% of official GDP figures. Therefore, though the petroleum sector is important, it remains in fact a small part of the country overall vibrant and diversified economy (Igbuzor, 2015).

The largely subsistence agricultural sector has not kept up with rapid population growth, and Nigeria, once a large net exporter of feed, now imports some of its food products. In 2006, Nigeria successfully convinced the Paris Club to let it buy back the bulk of its debts owed to the Paris club for a cash payment of roughly \$ 12 billion (Dike. 2007).

Nigeria's economy is struggling to leverage the country's vast wealth in fossil fuels in order to displace the crushing poverty that affects the existence of

vast wealth as “the resource curse” (Bienen, 1983). Nigeria's export of oil and natural gas at a time peak prices have enabled the country to post merchandise trade and current account surpluses in recent years. Reportedly, 80 percent of Nigeria's energy revenues flows to the government, 16 percent cover operational costs, and the remaining 4 percent go to investors. However, the World Bank has estimated that as a result of corruption 80 percent of energy revenue in 2005 was lost. Nigeria achieved a milestone agreement with the Paris Club of lending nations to eliminate all of its bilateral external debt, and Nigeria will pay off the remainder with a portion of its energy revenues. Outside of the energy sector, Nigeria's economy is highly inefficient, moreover, human capital is underdeveloped-Nigeria ranked 145 out of 172 countries in the United Nations development index as at June, 2011 and non-energy related infrastructure is inadequate (UNDP, 2011). From 2003 to 2007, Nigeria attempted to implement an economic reform program called the National Economic Development Strategy (NEEDS). The purpose of the NEEDS was to raise the country's standard of living through a variety of reforms, including macroeconomic stability, deregulation, Liberalization, privatization, transparency and accountability (Eze, 2003). The NEEDS addressed basic deficiencies, such as lack of fresh water for household use and irrigation, unreliable power supplies, decaying infrastructure, impediments to private enterprise, and corruption. The government hoped that NEEDS would create 7 million new jobs, diversify the economy, boost non-energy exports, increase industrial capacity utilization and improve agricultural productivity (Marx, 2005). A related initiative on the state level is the State Economic Empowerment Development Strategy (SEEDS).

A longer-term economic development program is the United Nations (UN)-sponsored National Millennium Development Goals for Nigeria. Under the program, which covers the years from 2000 to 2015, Nigeria was committed to achieving wide range of ambitious objectives involving poverty reduction, education, gender equality, health, the environment, and international development cooperation (Ahmad, 2004). In an update released in 2004, the UN found that Nigeria was making progress toward achieving several goals but was falling short on others. Specifically, Nigeria had advanced efforts to top in the

provision of universal primary education, protect the environment, and develop partnership , However, the country lagged behind on the goals of eliminating extreme poverty and hunger, reducing child and maternal mortality and combating diseases such as human immune deficiency virus/acquired immune deficiency syndrome (HIV/AIDS) and malaria (Ahmad,2004). A prerequisite for achieving many of these worthwhile objectives is curtailing endemic corruption, which stigmatizes development and taints Nigeria's business environment President Olusegun Obasanjo's campaign against corruption, which included the arrest of officials accused of misdeeds and recover of US\$458 million of illicit funds that had been deposited in Swiss banks by the late military dictator, Sani Abacha. However, while broad based progress has been slow, these efforts have become evident in international surveys of corruption. In fact, Nigeria's ranking has consistently improved since 2001 ranking 147 out of 180 countries, Transparency international's 2007 perceptions Index had placed Nigeria at 108 out of 175 countries in the World (World Bank, 2006).

FACTORS THAT SHAPED THE NIGERIAN POLITICAL ECONOMY

As an undeveloped nation-state, factors of the political economy are many, complex and inter-related. In the view of Ibezim, (1999), there are four major factors , namely: Primacy of the state instrument over and above the society, the economic structure and its policies.

Underdevelopment and dependence on the external global economy

State monopoly of public institutions and economic activities; and

The nature and character of our social class.

At independence in 1960, the country's political economy was already laid out with the state as the primary and dominant factor in the social relations of production (Ibezim, 1999). Itself a product of colonization and colonialism, the state was, and still largely, the main instruments or institutional factor development of the economy, society and political system. Depending on one's objective and perspective in research, the Nigerian post-colonial economy revolves almost completely around the state instruments especially in the struggles to transcend underdevelopment and simultaneously achieve social justice and equity for the people. The regime understood both the difficulties and

the dynamics of the Nigerian post-colonialist rental state; and it was guided in the direction of breaking umbilical cord which tied the state to its pre-colonial and colonial roots. In the light of the above, Nigerian public administration became the British prototype, beginning from our public service and its public organizations. The practice of Nigerian federalism aided by prolonged military rule, added further significance to the primacy and dominance of the state over the political economy which, by extension, affected the nature of public administration in Nigeria within the period under review. For instance, public positions became the only save means of economic hegemony by individuals in Nigeria. As the country increasingly became over-centralized and over concentrated in the accumulation and distribution of political power, it inexorably drew upon itself intense struggle due to the economic hegemony that heated the polity as well as the marginalization, ethnicity and manipulation of religion and primordial ingredients in the politics and governance of the country. All these smeared themselves into the operations of our public administration till date (Anyanwu, 1997). Our public administration became a veritable instrument of politico-economic embourgeoisement and made its acquisition a war of every man against every man.

The second force of major interest in Nigeria's political economy is that of underdevelopment and dependence of productive forces upon the external global system. Nigerian's economy is underdeveloped in the sense that the factors of production and productive force were not self reliant nor indigenous, but servants of the western imperialists, without abundance and potentials for the large majority of the people to develop internally (Tadaro, 1982). In this, our politics and administration again became victims of the neocolonial system. Third world underdevelopment now affects the issue of distributive justice in terms of the spread of available goods and services to the various communities and peoples across the country. Our justice system became foreign and lacks indigenous justice system similarly, the economy became easy and heavily

dependent on the productive forces of the world capitalist system (Anyanwu, 1997). The commanding heights of economic activities in Nigeria are generally induced, disaggregated and articulated largely from outside the country as it now lacks internal hegemony. This is so in spite of the abundance of foreign exchange earnings, which the export of crude oil and recent gas has made available to the state. There is uneven development pattern as well as an unjust and inequitable relation among the social classes (Fabermiron, 2010). The ownership and control of capital for development are conditioned by foreign interest and related to the state/indigenous compradors (Marx, 2005). This is the fact about the abject powerlessness of the large majority of the Nigerian people who now suffer lack in the midst of abundance of natural resources.

The third factor in Nigerian political economy derives directly from the preceding two factors, namely, the regulation of social and economic activities by the state. Fiscal and monetary policies, the provision of public utilities and control of public institutions such as communication and telecommunication, electricity and water, major transport facilities by road and air, among others, became state monopolies (Ibezim, 1999). Consequently, market forces were constricted beyond the ordinary citizen's control. While it is understandably plausible for the state to monopolize these services at a time when the domestic market was small, Nigeria's political economy demands that such monopolies should be dismantled in order for the country to play appropriate role in the global economy, hence the emphasis on public- private partnership role in the global economy, and emphasis on its collaborative model as canvassed recently in Nigeria's political economy and management approach.

The fourth and final major factor is the development of the political class arising from the complexity of the pre- colonial state system, the practices of divide-and- rule by colonialism, the inconsiderate hoisting of federalism upon a multi-national culture in the struggle for independence from colonial rule, and the disarticulated trajectory of modernization hegemony across the country. It has become very difficult for a wholesome development of the political class to emerge. Nigeria's political economy has the problem of developing a political

class that can transcend the impediments of its competition for use of power (Garf, 19998). The governing elites, using the instrumentality of state force, quell opposition, protest and challenges for development and any divergent opinion in governance thus the dictatorship of our political elites.

The preceding four factors of the political economy are, by no means exhaustive of the forces propelling policies, governance, economy and moral system of the country. In their concomitant forces however, these four major factors play the major rule in the political economy of Nigerian public administration. Meanwhile, this study anchors on the Marxist theoretical model of class struggle that has determined the socio-economic formation of Nigerian state and has in turn, shaped our public administration over the years.

CONCLUSION

This study has carried out a prognosis of the pathology of Nigerian public administration, which is mainstreamed by the political economic structure of Nigerian state. The analysis so far in this study is that arising from the colonial bequeathal of our capitalist economy, our politics and administration have been tailored to benefit those that have the control of the state instrument of power (political and economic elites). Furthermore, in view of the existing economic structure, our social formation has given political power to those who can afford the wherewithal, making Nigerian state to become rental state. In a rental state, the political power owners, are the landlords while the proletariats are the tenants who not only sell their labour powers to exist but are perpetually without political or economy power to decide the power sharing formula. The end result of this system is that politics and the public administration of the nation, rest on the political and economic elites who although lack the art of statecraft, but are controllers of political power perpetually. This trend again, has made public administration the quickest means of acquiring economic power since public positions and their paraphimelia, approximate economic embourgeoisement. Again this explains the stern and keen interest in the contest for political power vide electroforming campaigns in Nigerian politics

Recommendations

Consequently, upon our analytical expositions, it is the recommendation

of this study that:

- (i) There should be evolution of a new political economic culture or system that shall be less dependent upon foreign control, with reduced government control but rather adopts public-private-partnership model of public management.
- (ii) Our method of political leadership recruitment should be made more complex and a little more cumbersome to reduce the mad rush by intending occupants.
- (iii) Our public administration structure should be made less lucrative but more responsible to the people for the purpose of accountability.
- (iv) Our public institutions should be made to be more responsible, accountable and less profit oriented but rather welfaric to reduce our level of poverty in their service delivery system.
- (v) There must be re-orientation of the expectations of public administrators as they occupy public positions, so that they will be more conscious of achievements of public goals rather than amassing of wealth through the “grab all” syndrome.

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