

SOCIO-ECONOMIC REFORMS IN NIGERIA

Essays in Honour of
Messrs Joseph N. Agbonlahor
and
Augustus O. Amaye

Edited by
Sunday A. Idahosa and Sam Guobadia

Faculty of Social and Management Sciences
Benson Idahosa University
Benin City, Nigeria.

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CHAPTER TWO

THE NIGERIAN SOCIO-ECONOMIC REFORMS: AN EVALUATION

ETIM OKON FRANK

Introduction

Socio-economic development is pursued through a network of public service institutions, all of which are geared to public service delivery towards national development. The failure of these institutions to achieve the goals enunciated in the development plans and the global trend towards best practices define as Reform goaded the Federal Government to embark on the reform processes. With these two objectives in view, the objectives of national development have been articulated in the various national development plans to include (i) achievement of dynamic self-sustaining growth for the economy (ii) improvement in the standard of living of the people of Nigeria (iii) enhanced real per capita income (iv) reduction in the level of unemployment (v) indigenization of economic activities (vi) More or even distribution of incomes (vii) The promotion of science and technological development (Frank, 1998:47).

Reforms herein mean that the public service institutions were no longer able to achieve the above stated goals of national development. The indicator of these massive failures abounds in the poor public service delivery in services such as electricity, water, roads, health and social services. This was the state of the economy when the civilian Government came into office. This is exemplified in the fact that an average cow in Europe lives on 2.4 US dollar (N312) per day while more than 2.8 billion people in the developing countries

(including Nigeria) live on less than one US dollar (about N130 per day)...Besides, 25 per cent of the world's critically poor, live in sub-Saharan Africa. About two-third of Nigerian population of 120 (about 80 million) people are critically poor. Ironically, Nigeria earned about 300 billion dollars from oil and gas in the last two decades or so. In the UNDP Report 2002, Nigeria ranked 148 positions on the Human Development index (HDI) out of the 173 nations that were surveyed (Mbagwu, 2002:11). This colossal failure made the quest for Reforms imperative. Furthermore, the World Bank evaluated the effectiveness (productivity) of countries in Africa. In the west African sub-region, Ghana was ahead of Nigeria in all the indices. While Ghana was placed 7th in overall effectiveness in the delivery of public services to her citizens, Nigeria was 42nd, on political stability index, Ghana 40%, Nigeria 5%, effectiveness in Government-Ghana 47%, Nigeria 23%, regulatory quality-Nigeria 16%, Ghana 46%, rule of law 8%, Ghana 41%, control of corruption 8%, Ghana 41% (The News, 2007:29). The necessity of reformation of State owned Enterprises (SOE) and administrative machineries for public service delivery became an urgent one.

The Global economy had gone through the processes of best practices, by which 'Reforms' became a norm adopted by major economies, which Nigeria could not take advantage of at the time because of her Military dispensation.

The major focus of Reform is to ensure efficiency and effectiveness in the economic management by public service organizations. What was the situation in Nigeria before now? Would the Reforms ameliorate the situation or not? This informed the focus of this chapter which is to evaluate the recent socio-economic reforms in Nigeria, to analyse whether it has been articulated to conform to the standard of successful global reforms. Reform is a

change in a state of action-set activities, requiring an ombudsman to watch over and direct the practices of the new ways. This is the situation with all known successful reforms in history. This is because those who benefit from the old ways would resist and relapse to the old ways, thereby stalling the reforms processes.

The Margaret Thatcher, American, Russian and the Scandinavian reforms attested to this theoretical premise. This chapter evaluates the current socio-economic reforms in Nigeria against this background, to submit that the flaws already recorded in the monetization reform, is traceable to poor packaging of the Nigerian concept of reforms. Consequently, the Margaret Thatcher and the monetization exercise an outcome of the reform process would be analyzed to illustrate this fact. This background set the tone for the objective of the study.

This chapter examines the forms and the practice of reforms upon which the Nigerian experiment would be evaluated and to show that the current socio-economic reforms in Nigeria may fail, if a "super-bureau" that would direct the course of the reforms is not establish to drive all the aspects of the exercise. The historical development of the phenomenon and the experiences of successful reforms in global perspectives have always towed this path.

It is also a further purpose of this chapter, to illustrate that the immobilism which led to the reforms, was beneficial to a group of people. These groups of people are capable of thwarting the reform. This is to be further attested to by the fact that reform is a social change process in the manner of the operation of an organization.

It is axiomatic truth that changes are always resisted. These are the issues which the current paradigm of reform as introduced has not taken care of, hence the

necessity of its functionality.

Thirdly, the reform as pursued in Nigeria is geared to make Nigeria a private sector-driven economy where the government will not regulate but leave business to those who can run it. This is problematic, if basic infrastructure that aid production are still in the poor state. Reform or privatization can not do any magic to turn the economy around because there is a limit to the facilities that they can provide being a profit driven project with less basis for social responsibility. Finally, it is intended to arouse interest of the reader to engage in further enquiry on the topic in which Nigeria's national economic growth depends.

The problem then is, the Government has a duty to provide 'public goods' in the most effective and economic of ways in order to add value to human life, as contained in the "social contract". Yet, it is abdicating this to the private sector, how possible?. The situation in which Government, the agent of the people can no longer deliver 'public goods' or public service effectively, call to question the efficacy of the machinery for doing so. This realization coupled with the requirement of the global best practices led to the institutionalization of the principles of 'Reforms' in Nigeria. The problem then is what is to be done to get the machinery of government out of the state of immobilism. The catalyst needed in the opinion of the government is 'reforms' to ensure that public service are not only delivered but gets to the target population, through the private sector driven machinery and minimal public sector interventions.

The approach of the Government towards this goal has been to privatize by disinvesting in State Owned Enterprises (SOEs) and cause both administrative and structural changes in public organizations (Public service) with the view of achieving effective public service delivery. In its administrative acumen, the Government

had chosen, two approaches to enable it deliver effective public services to the citizens; one of which is the sale of state owned enterprises, while the other is the restructuring of Governmental agencies in the hope that it would be more effective in service delivery. It is the thesis of this chapter that for reforms as public policy approach in a neo-liberal democratic state to be effective in service delivery, it must operate within a specific framework, as other successful reforms have done.

In order to evaluate the reforms introduced in Nigeria, the intellectual orientation view reforms as an on-going phenomenon which belongs to formative criteria of descriptive research. The approach involves the survey of the history and practices of reforms, with the intention of identifying the trends in the practice of the phenomena from which hypothesis can be gleaned and later tested...It specifies the nature of a given phenomenon, accurate analytical description without being able to establish a cause and effect relationship (Ndiyo, 2005:71). Thus, in this chapter we evaluate the reforms globally against the system established in Nigeria.

Reform: Cradle and conceptions

Reforms refer to a phenomenon of adjustment of the processes, norms and values of operation of a social organization in a manner to enhance return on investment (ROI, social impact or Pareto optimality). It is generated when the stakeholders of the organization come to the conclusion that the organization is no longer meeting the purposes for which it was established. Inherent in this conception of reforms is the view that it is generated from within by the stakeholders. Everywhere that this has been practiced, the impetus had always come from within.

The reform in Nigeria was instigated by external forces.

The economy was viewed to have deep internal crisis that included high rates of inflation and unemployment, external debt obligations and foreign exchange mismanagement. Nigeria and many other African countries were strongly advised by the worldwide lending agencies, particularly the International Monetary Fund and World Bank to divest their public enterprises as one of the conditions for economic assistance (Kolapo, 2007:22). Since the drive for privatization reforms in Nigeria emanated largely from International creditors, many experts believe as the author that it could be a form of economic exploitation. Through the creation of economic conditions that will give international monopoly capital free reign in the Nigerian economy.

In modern economic policies reforms are changes in the foundations of society...which refers to the more fundamental features of social organization, including those connected with spiritual values and those defining essential relations between human beings. They range from changes in institutions, deliberate economic redistribution specifications (e.g., social security schemes) to equalization of opportunities; they encompass monetary reforms, changes in the ownership of assets (e.g., nationalization, privatization, in industrial organization, in processes of decision-making, in societal organization and the formation of its politics (e.g., mobilization), regulation of markets, and the like. Thus, they are the most far-reaching types of policy, as distinct from changes in structures (e.g., the details of economic and social organization, including specification of relations and behaviour) which are less fundamental, or in instrument variables (e.g., fiscal and monetary policy items) that are used frequently in public policy. There is nothing sacrosanct in these distinctions (Okongwu, 2007:97). The history of reforms as obtained from its harbinger after the American war of independence

(thirteen original States) opined that there must be an agency or ombudsman to preside over reforms because people may be oblivious of changes that have been agreed. Secondly, that change is often resisted, but the ombudsman would always direct on the right course of actions (Masscot, 1947). It is discernible from the above that Reforms is a complete change which require a driver to watch over its application.

Laws of Reforms

The first law of reforms states that progress can only be realized when the institutional complex of rules points clearly, for all citizens without exception, to the objective fact that productive endeavour does pay and that money must not be made without working; this stimulates citizens to engage in productive endeavours and to acquire the necessary knowledge and skills. The second law: You cannot pick and choose which elements of the rules set to enforce and which to gloss over and in which particular applications; they stand or fall together and with them the very foundations of the state. Their fall is otherwise called anarchy (Okongwu, 2007:97).

It is important to note that from the theoretical dimension of reforms as elucidated above, involve the processes of;

- i) An evaluation of the 'need assessment' of the organization;
- ii) The identification of the factors responsible for its immobilism;
- iii) Provision of the missing link, to reposition the organization (human, legal and environment) for service delivery.
- iv) The establishment of the yardstick for the evaluation of the impact-outcome of the now reformed organization with the old disposition.

Principles of Reform and Practices

The principles of the best practices of reforms derivable from the above are;

- i) To enhance the continued expansion of economic opportunities, there must be the ombudsman to persistently reinforce overwhelming incentive to keep reform on course. This is because a document setting out the entire program, prepared by the planning agency after inter-agency consultations, would help guide all staff in plan implementation; it could also serve as a useful reference source, against which decisions and outcomes could be compared, in the future. But codification merely in order to ensure its inviolability or irreversibility (Okongwu, 2007:98) may be a misconception. The bureau to oversee the implementation of the reforms must be large enough to cover the key areas but not so large that it becomes too cumbersome to function. It usually should comprise a group of individuals who are specialists in different parts of reforms. Everyone involved in the project must have responsibility for impact assessment.
- ii) Man is likely to renege on the principles and practices necessary to keep the reforms alive. Change is an event that is always resisted. Put differently the development and sustainability of reforms require institutional change to be conformable with or induce the desired development process. This is because reforms are often based on abstract concept or intellectual constructs.
- iii) Reforms program are details of the Reformer's idea of the good society he wants to create or bring to bear. Its sustainability rest on a group he has indoctrinated with the ideas to watch over the

development of the idea.

These principles are discernible in known reforms exercises as shown below; and their absence in the Nigerian case rendered it susceptible to failure.

Thatcher's Reform

In order to appreciate the issues incidental to reforms, we look at the case of reform in Britain, 1979-1998 under Margaret Thatcher, who was faced with an expanded Governmental role created by the Labor party she defeated. In the years, 1980-1997 the civil service was downsized and privatization of nationalized industries undertaken.

By 1980, an office to define efficiency level was established as a unit in the office of the Prime Minister. This was to watch over the implementation of the reform. 1980-1997, the civil service was downsized and all nationalized industries were privatized. 1982 saw the establishment of the audit commission to watch over the efficiency of local governments and the National Health Service. In 1983, there was improved auditing capacity through the establishment of a national audit office. In 1988, 'the Next Steps Initiative' was established which distinguished policy advisory from implementation units. In 1991, 'competing for quality' or consumer charter was introduced to obtain responses from the public about the quality of services delivered to them under the reforms. This constitutes the feedback loop to gauge the impact of the reform. This is what the Nigerian 'Servicom' charter also seeks to do. In 1994, the reform introduced standard for public services and 1995 saw the creation of the office that would recruit personnel for the reformed organizations on merits which were non-ministerial. 1997 witnessed the creation of these apparatuses for reform in the regions and other localities (Adamolekun, 2002:160). The long years of Thatcher

helped to ensure the stability of the reforms. This was the structure adopted in Australia, Botswana, Canada, and China.

The British case study has made the following elements discernible;

- i) The downsizing of the civil service/public service is inevitable
- ii) The creation of an office in the Presidency to monitor and direct the reform (it was to direct the reforms in both the regions/states and the local Governments).
- iii) State owned Enterprises were privatized.
- iv) A 'feedback loop' was established to evaluate the outcomes and the impacts of the service delivered.

It would be expected that the Nigerian experiences would be so structured. But is it so? The bulk of the success of reforms is underwritten by political will of "perestroika and glasnot' (openness in the economy and accountability in governance). Is the Nigerian political class ready to grant this to the people? If the answer to the question posed is not in the affirmative, then socio-political reform is embattled and can not be adjudged successful.

Empirical case of Reforms: Monetization Program

In the preceding analysis, we have dued extensively with the theory of Reforms, it would be logical at this point to evaluate some of the reforms already conducted to concretize the purpose of this chapter. Thus, we shall examine monetization and thus; systemic-corruption, and the power sector running respectively. The earliest known and widely publicized reform is the Monetization of fringe benefits to both the public and civil servants. It was intended to reduce the cost of governance.

It is imperative at this point to examine the oldest reform embarked upon since 2003 in order to establish the trend

in which others may likely follow. The justification of the program became necessary because over the years, the cost of governance had continued to escalate, arising mostly, from the burden of providing basic amenities to public servants by the Government. Monetization is the abolition of some of the fringe benefits previously made available in kind to public officers, the modification of a few, and the conversion of the remainder into cash payment by attaching monetary values to them, and paying them out to public officers (including political office holders) on the basis of seniority (Eminue, 2005:178).

These amenities include residential accommodation, transport facilities, medical services and utilities such as electricity, water and telephone. The merits of monetization include efficiency in resource allocation, equity in the provision of amenities and encouragement of public servants to own personal houses. It also enables public servants to plan for a more comfortable post-service life. It minimizes waste, misuse and abuse of public facilities (Ekaette, 2003:1). Consequently, the federal Government circular directed the following percentage payments to public servants. Residential accommodation 100%, furniture 300%, (as a result of the huge sum involved 75% was to be paid yearly to be exhausted in four years, furniture allowance was cancelled for levels 01-06, while level 07-16 gets 40% of their annual salary as furniture allowance) (Guardian, February 3, 2004). Utility, domestic servants, motor vehicle 350%, fuelling/maintenance 30%, medical 10%, leave grant 10%, meal subsidy, entertainment allowance 10%. These were conceived because the total number of officers and staff in the federal public service was put at 996,774 (Ekaette, 2003:5). But they consume 65 percent of the total internally generated revenue as emoluments. This leaves the federal government with less than 35

percent for capital expenditure.

The implications of the reform include:

- i) The drivers would have to be disengaged, for all those entitled to vehicles to drive themselves;
- ii) The Government would no longer maintain official quarters;
- iii) No domestic servants for senior officials, as their emoluments have been paid to the senior officers;
- iv) Motor vehicle loans would be provided, so that officers own their cars and not only drive to work, but use same for official duties;

It is here stated that since 2003 when this policy came into effect, there has been no formal directive from the Government to disengage drivers. The vehicles have not been pooled. In fact, Government is still approving funds for the purchase of official vehicles as stated in the recent defense of the former vice-President in the Senate over the PDTF (Petroleum Development Trust Fund) affairs (Atiku, 2006: 14) Many commissions and state Governments which have implemented the policy are still purchasing official cars. Domestic servants are still being paid, while similar payments are also being made to their bosses.

In the final analysis, it is difficult to state whether the reform has been able to achieve its intended purpose of reducing the cost of governance as spelt out above, even as the life-span of the reform is only four years. This is because the norms of setting up a unit to evaluate the success or otherwise of the reforms as earlier outlined were not followed. This is the state of the current reforms in Nigeria, devoid of the standard of best practices.

Empirical Cases of Reforms

The foregoing discussion has revealed certain facts about successful reform programs. These include the fact;

- i. That socio-economic reforms are geared towards fast-tracking national development in every sector of the national economy from the state of stagnation.
- ii. The quest for reforms was imperative in the face of colossal failure of the various sector of the national economy.
- iii. That reforms stimulate backward and forward integration of productive ventures in the economy.

We shall evaluate the case studies of reforms in Nigeria with the view of not only instigating the creation of the above identified variables, but also to confirm the adaption of the best practices which classical reforms are known for. Consequently, bureaucratic (systemic) corruption in the public service, and the critical power sector, crucial to drive the economy into the stage of self-sustained growth would be analysed in addition to the Monetization reform already evaluated.

Analysis

It would be recalled that the essence of the reform was to lower the cost of Governance and provide for accountability. It is a treason that the operations of the public services and specifically of the federal and state civil services are far from "operational-cost-reduction". Before the introduction of the scheme, 65 percent of the total appropriated revenue of the Federal Government was consumed by recurrent expenditure paid to just one million people including the military (Frank, 2007: 138). It is on authority that the trend of high cost of governance has not reduced, but rather gone higher.

The situation which Government, and indeed, the civil service found itself after the colossal sum of money sunk on the programme is a classical case of "Administrative Parkinson law". Administrative Parkinson Law refers to a situation in which staffers increase faster than the work to be done. The law was

evaluated against the number of administrative officials in the British Navy which increased by 78 percent between 1914 and 1928, during which, period Great Britain reduced its fleet with about 68 percent (Worldbook, 1990:171). This is a correlate of Monetization scheme. The pay-off and downsizing and Rightsizing which have seen many workers out of jobs, have no corresponding effect on the cost of Governance. How effective has this public policy been in achieving its stated objectives? The answer is certainly not in the affirmative.

Power Sector Reform

By 1999 when the fourth republic was inaugurated, Nigeria's electricity generation and distribution capacity was estimated at 3.0 megawatts out of a total electricity requirement of over 10,000 megawatts, but by 2007, only 2.0 megawatts was generated. Experts had estimated that this was grossly inadequate if the industrial capacity of the country was to operate and expand unhindered. Consequent upon the inability of both the gas and hydro-electric power plants in the country to operate at installed capacity, load sharing was adopted as management strategy to extend power to all the states of the country. As a result, some states, Local Government areas were supplied with electricity occasionally. Within the states, some areas would have electricity supply in alternate days, and time.

The above energy scenario, was inimical to economic growth and by implication to socio-economic development at both individual and cooperate levels. The obvious implication is a situation in which every economic initiative whether at the individual or corporate level, would factor-in the cost of generating power to sustain such an enterprise. Thus, everyone had to purchase a generating set (I-pass-my-neighbour). The

result, apart from impoverishing Nigerians further, by which the extra cost, for the generating set, being pass to the consumer also result into noise pollution of the environment. A further implication brought forth “a dual-price” structure in the economy; that is, double price for every good or service, that’s produce by self-generating set. NEPA/PHCN, The above situation has impacted negatively on the growth and development of the Nigerian economy for the period 2003 - 2007.

The CEO of DN Meyer described the situation more succinctly when he opined that “shortage of electricity supply in the country has impacted negatively on the real sector, by dropping capacity utilization in the industry from 45 per cent of about 30 per cent... it critically affects the manufacturing sector because it has diminished the capacity of the sector to make higher contributions to Gross Domestic Products (GDP) of the economy ... no matter how impressive the economic policies sound, without getting power right, we are not likely to meet our target. So, power is central and as a matter of fact power is life” (Ogbuanu, 2007: 38).

A further problem created by the situation was that out of the total foreign investment which came into West Africa during the period, over 80 per cent went to Ghana and the other countries in the region, leaving Nigeria with less than 10 percent. Their reasons being that they go to states with steady power supply (Frank, 2007b: 17) and with zero tolerance for bureaucratic corruption. It would be recalled that in the World Bank evaluation of effectiveness and productivity, while Nigeria scored 8% in the control of corruption, Ghana scored 41% (The News, Jan. 29, 2007: 1). These were the problems which the power sector reform sought to address.

The Public Policy Strategy

Meant to reform and privatize the power sector was the initiative of National independent Power Project (NIPP). The approach was geared towards the building of different power sectors. One each in the six-geo-political zone of the country. Each was to contribute a certain megawatt of power into the National-Grid, which would meet and surpass the total energy requirement to sustain uninterrupted power supply.

Consequent upon the above intention, all prospective investors in the sector were expected to meet the investment criteria of Nigeria, some of which include;

- i The company must be registered as a corporate person with corporate Affairs commission CAC);
- ii. The propose energy sector must be advertised in national and international media, to allow for tendering;
- iii. All tenders must be competitive, secret and open to the full glare of all participants with the media present and represented.
- iv The prospective winner of the contract bid, must obtain a performance bond with the Central Bank as a surety against non-performance; which would be confiscated by the state in the case of performance failure;
- v. The terms of the contract agreement with the tendering firms must be scripted by the relevant ministry and authenticated by the reform “ombudsman”, the organization established to drive the reform processes, in this case we credit the “due - process office” with this role.

It is instructive to note that Nigeria's reform in this sector violated all the conditions serially set out above in the award of the contract in the sector. According to the report from the “on-going” public hearing in the Federal House of Representatives (Nigeria's lower House of Parliament) indicated; the Panel probing expenditure in

the crisis-ridden energy sector ... was told by the Bureau of Public Enterprises (BPE) that against established public service rules, the Federal Ministry of Power and Steel allowed contractors free reign in the drafting of the agreements of the National Integrated Power Projects (NIPP) contracts. According to the Director-General of the Bureau, Emeka Eze, the problem with the NIPP was that most of the agreements were in favour of the contractors, who were mostly foreign firms. The office allowed between the year 2003-2008 the total of N195.6 billion, (24 Million Euros.) Attempts to amend the contract by the ministry shows that there was no provision or clause for such amendment. Meanwhile, most of the firms were unknown by the corporate affairs commission (Guardian, March 19, 2008: 1).

Given the steps set out earlier in the best practices of reform programs, it is discernible that even where the ombudsman (Due Process Office) was set up though, not specifically given the role of driving the reform, the same Government violated the processes with impunity, thereby defeating the purpose of the sector reform.

Another fact which emanated from the exercise indicated the absence of intellectual leadership in the reform process and the lack of the Spirit of Entrepreneurship. One of the NIPP plant at Geraku/Ajakouta in Kogi State has been completed. But it can not be put to use because it has to be run on gas. Nigeria, which by the next 25 years has already sold her gas to foreign buyers. To divert gas to the plant would be tantamount to a breach of contract.

If has been revealed that the foreign companies obtained these contract have since withdrawn their performance bond deposited with the Central Bank without completing the job.

The impact of the power sector reform is that Nigerians would witness a longer period of inadequate power

supply. Secondly socio-economic investment would continue to elude the people. Thirdly, high cost of living and low standard of life would continue unabated. Fourthly, Nigeria would continue to be a fertile ground for cheap Chinese - made generators, while fuel price would continue to rise. Fifthly, noise pollution would continue while the national economic Development would remain a mirage. Finally, elusive foreign investment would continue to elude Nigeria to Ghana and other countries with steady power supply.

Systemic Corruption

Corruption is improbity in the discharge of one's public duty. The discharge of public duty connotes the setting of objective standard in which everyone who comes to it would be treated rationally equally. A deviation from the set standard in order to accord advantages to one or more persons to the exclusion of others is tantamount to corruption. Put differently, when values which would have accrued to all, are held to benefit one or two persons, to the exclusion and denial of others, then corruption has occurred.

Systemic or bureaucratic corruption takes place within the state bureaucracy where the civil servants withhold information, delay deliberately the release of things of values (e.g. fiscal resources) that would have generated "public good" for all, then systemic corruption had taken place.

The underdevelopment of Nigeria has been largely attributed to systemic/bureaucratic corruption. This is so because annually, funds are appropriated for various developmental purposes. But at the end of the fiscal period, the projects to which funds were appropriated remain uncompleted, as if, costing based on current value of inputs were not done. It has been attributed to systemic corruption and the civil servants who create

bottlenecks to prevent and stall complete release of such funds, which are later shared amongst themselves. This is often done through a complex network.

The nature of systemic corruption according to ICPC study revealed that such funds are misappropriated by crafty civil servants through "creative" accounting to cover their tracks. To siphon the unspent funds, the funds are illegally transferred from one sub-head to another but passed as genuine expenditure for accounting purposes. The study further showed that the unspent funds are arbitrarily misappropriated through routing, to such ambiguous subheads like over head costs. In some cases, the funds are transferred from "personnel costs" to "overhead cost" to escape detection...; this had persisted for so long as unethical and unprofessional accounting practices which are used to cover the track of such funds (Icheku, 2008: 8).

Systemic corruption often involves the violation of the established standard to the benefit of some people. In a recent case in the House of Representatives, tagged "Etteh-Gate", it was masterminded through the violations of the established "due process" for the award of public contracts. Thus, according to the secretary of the Tenders Board of the National Assembly Management:

- i. Due process was not followed in the awards of the contract.
- ii. There was no advertisement for the renovation of the speaker and deputy speaker's residences.
- iii. Government regulations in respect of purchase of vehicles stipulates advertisement for tenders for the supply of such vehicles;
- iv. Selective tendering was done from above
- v. There was no pre-qualification of contractors,
- vi. There was no circulation of the notice of meeting to

those who should be present in such meeting;

vii. There was no proper scrutiny of the contracts before the meeting that awarded the contracts (Ojo, 2007, Sept 23: 8)

The above situation is a classical case of systemic corruption masterminded by public officials by deliberately violating established procedures and therefore conferring privileges on some people.

Another dimension of systemic corruption in the public service of Nigeria takes the form of last minute contracts, as well as payments of debts that were either never owed or were never scheduled to be paid off in the subsisting fiscal year... all of them have their drawers loaded with tick stubs from different airlines-both local and foreign. They have blank receipts from virtually every hotel anywhere in the country, as well as receipts for carried services and all other sundry services engaged by the departments. As soon as they sit down to retire the outgoing year's expenses, they can claim to have organized a training workshop in Kaduna at a total cost of 40 million naira. The workshop needed not to have held. All that is important is that the officer making the retirement is armed with receipts and tickets to cover the cost of accommodation for the delegates and participants, honorarium to speakers, as well as receipt for payment of venue, public address system, conference materials etc. Of course, the supervising officer who should raise questions would not do so because he/she would get a huge cut of the money. Everything is approved (Icheku, 2008, March 29: 4). This mode of corruption is part of the process of undevelopment of Nigeria which the reform that gave birth to both ICPC and EFCC sought to eradicate in the national Life of Nigeria. But in spite of the presence of these two anticorruption agencies, systemic corruption strike best. What could be responsible for this? The affirmative response to this is that those who profess to fight the evil are themselves

guilty of the same, hence lack the political will to fight the war. Consequently, the reform in this respect, fails to reform anything. Rather, it is encouraging greater corruption. The evaluation of these three case studies against the background of reform, has shown that the situation has not change significantly to impact on the society immensely.

Impact of Reforms

The ultimate goal of the reform of the public and civil service is to improve public service delivery in qualitative terms. It stands to reason that after reforms, the benefits should exceed the cost of the program. Put differently, everyone should be better-off economically (economic improvement) Where everybody is not made better-off, no one should be made worse-off than he was previously. This is Pareto's improvement (Mishan, 1974:14). In the countries which adopted the reforms as specified above, the quality of public services improved considerably as a result of the standards set, qualitative human resources obtained for the management of the reformed organizations and the monitoring and evaluation by a specialized agency to ensure that the reform is on course as outlined in its blueprint.

The result of the Nigerian Reforms could be summarize as M.O. Yusufu puts it;

The country is in shambles: with epileptic power supply, scarce potable water, death-trap roads, poor health services and dislocated education system.

Many factories have also closed down with hundred of thousands of workers and their families thrown into Poverty. Indeed, it is a paradox that more people are forced to live below the USA poverty level of US\$1 a day...Second issue I would like you to raise

with Mr. President is about what he calls his reform programme... We have heard of the reform in the power sector, which, after gulping billions of naira has left Nigerians in darkness and the Nigerian economy in a mess. We heard of reform in education sector, which has resulted in under-funding, paucity of teaching equipment, demoralized staff, depressed students and distressed parents. We have heard of the reform in the petroleum sector, which has made petroleum products more scarce and prices prohibitive. We have heard of the reform in the aviation sector, which has resulted in more air crashes in the past eight years than at any time in the history of our country. We have heard of the reform in the agricultural sector, which has only increased poverty in the rural areas. We have also heard of reform of the civil service which has only produced retrenchment and low morale. We have heard of salary increase and consultation, which has translated into salary reduction for many professionals. There is much talk about Due Process but it has only increased corruption and favoritism in the award of contracts (Yusufu, 2007).

The World Bank and the International Monetary Fund have spelt out conditions for granting debt relief to debtor countries. These are prudence and good economic reforms to reduce corruption at all levels, lowering inflation rate and the control of prices by an interplay of market forces, improved level of state infrastructure, transparency and accountability in governance as well as the ability of the country to make good return on investment(Ogbeifun, 2007:59). This

stipulation of the World Bank coincides with the events in Nigeria and raises the questions whether the reforms are in the interest of Nigerians or externally driven?

Secondly, given that the reforms in Nigeria do not have implementing bureau that would ensure compliance with the directive principles of the reforms at both the states and the local Government levels, leaves much to be desired.

What are the parameters with which the essence of the reforms would be measured? The 'Servicom charter' have not set standard beyond moralizing. It makes judgmental comparison difficult between the quality of service before and after in the reformed organizations.

Thirdly, another matter arising is, the pronouncement of the former Minister for Finance that there would be "phased implementation of the policy with the core civil service first" (Guardian Editorial, 2003:1). In her wisdom, this was to experiment on the possible outcome of the policy. Is this not an indication of a poor public policy that has not gone through the entire gamut of policy-making process? Put differently, many months after the reforms had started, the Minister said it would commence with a section of the civil servants to gauge reactions and problems with the view of correcting same where necessary. Why was the due process of public policy making not followed for such a serious policy?

Fourthly, the greatest reform in the country seems to be the EFCC, established to address the issue of corruption which previous regions before now failed addressed. The EFCC Act 2004 does not authorize the agency to submit list of indicted persons to the Presidency but only permits it to go to court and prosecute persons alleged to have engaged in economic and financial crimes. But today the reverse is the case. The Presidency is banning perceived political enemies (Nnamani, 2007: 44). This is what happens in a reform situation where there is no

bureau to direct, monitor and evaluates the processes. Furthermore, were Nigeria's reforms to have a directorate body in accordance with the international best practices, the EFCC would have been reminded that it should proceed to the courts with anyone that have violated the code of conduct for public officers.

Conclusion

The expectations from the reforms exercise are that midway into the programme and about four years after its commencement, the Nigeria economy would be on the recovery path. Yet, with all indices of measurement, Ghana fared better than Nigeria as cited earlier. Secondly, that it is further anticipated as the reforms goes on that Nigeria's performance in the Human Development Index would improve occasioned by the reforms. This is however subject to Nigeria's reforms practices being conducted in line with the best practices. Any deviation from these would result in disequilibrium in its outcomes. Whenever a summative evaluation of the reforms starts, the failures and successes would depend to a large extent on the degree of compliance with the framework of international best practices. The alertness of the monitoring and evaluation office is of no less importance. Until reforms are executed along the lines specified in this chapter, there would always be problems and less positive social impact of the exercise.

There is urgent need to institute a reforms ombudsman. The only visible aspect of the reforms is the legion of erstwhile public and civil servants downsized and right sized out of jobs. Improvement in public service delivery consequent upon the reforms is still a far cry. Whenever the reform bureau is created, it should be empowered to intervene at all levels of the Government to guide aright processes and activities pursuant to the objectives set for it within the framework of the reforms.

This is because one level could serve as a clog against the other. Finally, this discourse submits that reforms entails changes in the quality of the attitude and aptitude of those who manage public industries, parastatals and social organizations. This would require an overseer for a duration of time, because it is often difficult to drop old habits for new ones. The Nigerian socio-economic reforms, after four years is yet to generate positive social impact on the Nigerian socio-economic environment.

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